Daily Report

Latin America

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FBIS-LAT-90-164 *23 August 1990*

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Cuba

Two Refugees Leave Spanish Embassy, Return Home

PA2208175290 Madrid EFE in Spanish 1659 GMT 22 Aug 90

[Text] Havana, 22 Aug (EFE)—Miguel Angel Aldana Ruiz and his brother Enrique Magdalena Ruiz today at 1215 (1615 GMT) left the Spanish Embassy, where they had sought refuge in July.

Spanish Charge d'Affaires Ignacio Ruperez has told EFE that the departure was absolutely voluntary. Ruperez said that the two young men were taken home in a diplomatic vehicle by Spanish Embassy First Secretary Fidel Sendagorta.

Now, five refugees have left the Spanish Embassy since Saturday, 18 August, when the first two left.

There are still 13 refugees in the Spanish Embassy. Two more are in the residence of Belgian Ambassador Louis Cornet Delzius, making a total of 15 refugees in foreign diplomatic buildings.

Raul Castro Congratulates FMC Members

FL2308004590 Havana Cubavision Network in Spanish 0000 GMT 23 Aug 90

[Text] Army General Raul Castro, second secretary of the Communist Party of Cuba Central Committee and minister of the Revolutionary Armed Forces [FAR], has sent a message of congratulations to all the members of the Federation of Cuban Women [FMC], which says, verbatim:

On the occasion of celebrating the 30th anniversary of the founding of the FMC, I send to you the warmest and most sincere congratulations from the FAR. During these three decades, your organization has carried out meritorious work in incorporating women fully into political, economic, and social life, which has made it possible to make their authentic rights and aspirations and their active participation in production and defense tasks a reality.

Further on, Raul's letter says: Under the current circumstances, when imperialism is increasing its aggressiveness against Cuba and difficulties are growing, we know that you, exemplary women of the present and the future, inspired by the spirit of Baragua, will continue to play an important role in women's political and ideological education and their decisive incorporation into the work of the revolution.

I repeat our congratulations, with the assurance that in keeping with this historic moment, you will achieve new successes in whatever important tasks are given to you by the revolution, the party, and Fidel.

Fraternally, Raul Castro Ruz

DPRK President Meets With Ambassador Leon

FL2208174790 Havana Tele Rebelde Network in Spanish 1700 GMT 22 Aug 90

[Text] DPRK President Kim Il-song has visited the Cuban Embassy in Pyongyang. This once again demonstrates the profound ties of friendship between the two peoples. The Korean leader was accompanied by First Vice Premiers Kim Yong-nam and Kim Tal-hyon.

Cuban Ambassador Juan Jose Leon Vega and other diplomats also participated in the meeting, which was held in a cordial atmosphere.

This year, Cuba and the DPRK mark the 30th anniversary of the establishment of diplomatic relations.

* Produce Distribution Centers Described

90CA0090A Havana BOHEMIA in Spanish 6 Jul 90 pp 48-49

[Article by Maria de Los Angeles Rodriguez]

[Text] For years now, many countries in America and Europe especially have been using produce distribution centers in place of other outmoded systems. This system gets products to the consumers faster and with a minimum of spoilage.

Four of these centers are currently being built in the Havana City area, located at points near the city but distant from the city center. Thus, the capital will benefit from their advantages but avoid inconveniences stemming from their presence.

They are located in the industrial zone comprised of Berroa, Primer Anillo, San Miguel del Padron, and Autopista. These centers will not serve the public directly. They will provision the produce markets, "placitas" [small open-air marketplaces], and those grocery stores and supermarkets authorized to retail agricultural products.

In three of them, civil construction work is scheduled to be completed by 26 July, after which technical processing lines and a seven room refrigeration system are to be installed. Six of these rooms will be refrigerated for maintenance, and the seventh for deep-freezing, thus providing a total of 7,000 cubic meters in which oversupplies of fruits and vegetables can be stored and distributed gradually, as required, to regulate the flow of supplies.

Produce that has become too ripe for the marketplace will also be de-pulped and that pulp will be marketed in juice form by refreshment stands, and employee and school messes, instead of being channeled into hog feed.

Production-line facilities for the grading of root crops, tubers, vegetables, and fruits, will be installed, as well as a production-line sulfiting facility. The latter will enable the peeling and sulfiting of potatoes too small for the

marketplace, thus coating them with an anti-oxidation solution that preserves them perfectly and can be rinsed off with water.

The grading process will consist in sorting the products according to size and quality, with a view to enhancing their eye-appeal and cleanliness.

Description of Centers

The central section of each installation will be the production-line section, and will measure 9,576 square meters in area. It will contain various production lines, receive and sort produce, check its quality, and route it to retail storage or other internal facilities—i.e., refrigeration, warehousing, de-pulping, etc.

An administrative building will house the offices and mess hall for approximately 400 workers who will staff the center. Each center also has a 20-meter weighing machine, a general warehouse for incoming produce, a maintenance shop, and indoor parking.

Each center occupies a total land area of 60,000 square meters, including walled environs, green areas, and avenues. The cost of the civil construction at each center is put at 3.2 million pesos.

Two Experts' Views

Engineer Eduardo Perez Pando, head of the Acoplo National Union's Development Department, says: "The centers are sited so as to encompass an area of influence within which they are interconnected by the city's system of rings. This renders the centers functional without creating a nuisance for the population. Our experts based their planning of sizes on the characteristics and needs of the capital; thus, these centers are smaller than the enormous ones that are the current trend.

"The possibility of using rail transportation, when the required conditions for it have been created, was also taken into account. The length and narrow width of our island are ideally suited to its use."

Engineer Eduardo Velez, planning engineer with that organization, says, for his part, that "In 1989, the Council of Ministers approved a comprehensive program that included the construction of four produce distribution centers and 152 produce markets and "placitas" for the City of Havana. This will bring to 466 the number of retail units and will optimize the wholesale network.

"To ensure the efficient operation of these units, the Acoplo National Union selected the personnel that is to work in them, on the basis of their work, moral, and social 'trayectoria' [ethical or ideological orientation of their behavior in these respects]."

Berroa

As of a few days ago, construction work at Berroa was more than 40 percent completed. Its project manager is Agustin Gonzalez, foreman of the Machaco Ameijeiras Contingency's Work Brigade No. 8. This is an outstanding unit, whose members are showing exemplary industriousness.

Last month, productivity of the brigade's members was up to 1,389 pesos per man, and this month they have set out to surpass that figure. Although they are paid for eight hours of work a day, they actually remain on the job an average of 15.

They have been coping with problems because of the lack of some construction materials, electrical materials, and now ice, but they are all forging ahead, convinced that they will finish the project by the scheduled date.

Agustin is optimistic: "Some brigades are working busily to finish their production-line sections on time. Ours is well-advanced. A small group of 10 co-workers is able to lay as many plates as are supplied to them, and they are now working to complete the roof."

Autopista

Known also as Valle Grande, this is the most advanced of the projects. It is 55 percent complete. In May, its productivity attained 1,500 pesos per man, says Anibal Pino, head of Work Brigade No. 11.

Currently, they are awaiting supplies of roof tiles, concrete, and plans for the General Distribution Area and avenues. The personnel consists of 222 men and 68 women, is divided into two shifts of 12 and 11 hours each. They talk with pride of the 11 visits made by the Commander in Chief, who has also visited the other future centers.,

'Machaco Ameijeiras'

Miguel Angel Dominguez is the civil engineer responsible for this contingent, made up of 12 work brigades. Four of these brigades are building the produce distribution centers. He answered a few questions without hesitating:

[Rodriguez] Why will the Primer Anillo Center not be completed by 26 July?

[Dominguez] There are several reasons, but one that has had a major impact has been the lack of prefabricated components, making it impossible to carry on all four projects simultaneously.

[Rodriguez] What other setbacks have these projects undergone?

[Dominguez] In the beginning we had virtually no equipment. Later, we got tractors, buses, trucks, and cranes. We had to bring in prefabricated components from various provinces, and even today, we are short of electrical components.

[Rodriguez] How would you rate the work being done by the Contingent?

[Dominguez] The builders are making sure that slipshod work is not done. We are working closely with the local neighboring "micro-brigades," and the combined effort is extraordinary.

Who Will Benefit?

The new system may seem complex to some persons, but it is commonplace in many countries. It will supply the neighboring townships close to its sites:

Primer Anillo will serve Cotorro, Boyeros, Arroyo Naranjo, and Diez de Octubre. San Miguel del Padron will serve the township of that name, as well as Cerro, Habana Vieja [Old Havana], and Centro Habana [Havana Center]. Autopista will provision Plaza, Playa, Marianao, and La Lisa. And Berroa will serve Regla, Guanabacoa, and Habana del Este [Havana East].

One purpose of this system is to avoid multiple deliveries to retailers during the day. The plan is to supply them with vegetables, roots, and fruits from existing stocks, before opening time, so as to obviate the need for more than one daily visit to buy them.

The plan is a good one and a feasible one, whose results have been verified throughout the world. It will be in place in a matter of just a few months. We can expect to enjoy its advantages shortly: more products and better quality.

Photo Caption

Engineer Perez Prado, of Acoplo, says that each produce distribution center will have 60 trucks in sizes ranging up to six tons.

Dominica

Opposition Parties Support Trade With Cuba

FL2208165290 Bridgetown CANA in English 1629 GMT 22 Aug 90

[Text] Roseau, Dominica, Aug 22, CANA—The main opposition United Workers Party (UWP) has voiced support for a suggestion that Dominican firms should attempt to develop serious export trade with Cuba. Encouraging that move is leftist Dominica Labour Party (DLP) spokesman Rosie Douglas, who is scheduled to leave for Havana on Monday, on what he says will be a trade promotional effort for local goods.

Opposition leader Edison James of the UWP favours the move, contending that Dominica should trade with as many countries as possible in the interest of improving the island's economic well-being. James says while no trading links should be established with South Africa, he has no objections to developing trading ties with Cuba.

"As far as trading is concerned, selling our products and so on, I think it is something that we should be prepared to look at. I don't think that it is something that we should just set aside, and say that we're not going to trade. The opportunities are there, we need to examine them," James commented.

Douglas wants Dominican manufacturers to gear themselves to take advantage of Cuba's move to increase trade with the Caribbean, because of "the changes taking place in Cuba"—changes linked to a contraction in trade between Havana and Eastern Europe. Both Dominica's private sector and the government are yet to comment on the proposal to look towards Cuba as a potential export market, giving the impression that they still harbour suspicions about the communist regime in Havana.

Dominican Republic

* Fuel, Electricity Shortages Hurt Industry

90CA0088C Santo Domingo EL SIGLO in Spanish 11 Jul 90 p 1-D

[Article by Victor Manuel Tejada]

[Text] Angel Castillo, president of the Association of Industries of the San Pedro de Macoris Free Zone, said yesterday that some businesses in that industrial zone had halted production due to the uncertain supply of fuel and the energy crisis.

He said the company that sells diesel fuel to businesses in the zone has not been able to supply fuel they had ordered in order to continue operating. Some companies have had to shut down for several hours due to blackouts resulting from fuel shortages, he said.

Castillo complained of the uncertainty which the situation has caused among manufacturers, who have spent days "lurching along" looking for diesel fuel.

He said that although authorities always say the problem of electricity and the fuel supply will be solved, the fact is that the situation is always precarious and threatens production in the free zone.

The industrial official said the labor situation has improved considerably in the Macoris free zone after Labor Secretary Prim Pujals visited the area.

However, he admitted that leaflets are being circulated in the free zone threatening to paralyze production. "For me, these are political movements because there is no reason forcing workers to shut down the factories."

A few weeks ago, the labor union in the free zone threatened to halt work in the zone if the N & B Company did not reinstate or pay a group of dismissed workers for their services.

That same week, a labor confederation condemned the fact that layoffs continue in the San Pedro de Macoris free zone despite the labor secretary's visit and in violation of existing regulations.

Castillo said workers are demanding a wage increase that could be given when owners in free zones achieve a series of agreements with the government, mainly relating to the rate of exchange.

He revealed that ADOZONA [expansion unknown] officials have been analyzing in detail labor disputes affecting certain free zones in the country in order to prevent any deterioration of the situation. The industrial sector could be hurt badly by any instability.

Concerning the rate of exchange, he said that businessmen in free zones had already met with Central Bank officials and hope to meet with President Balaguer soon. "They are in a fairly favorable mood," he added.

Castillo said that although an agreement had been reached to turn over 50 percent of the foreign exchange to the Central Bank at the official rate, the measure is only a palliative aimed at checking any deterioration in the exchange situation.

He said there is still some resentment toward the operation of the new system of exchange because it is not certain whether commercial banks will market the remaining 50 percent of the dollars at a previously established price or at the free market price.

The most appropriate solution would be for 50 percent to be sold at the real premium, meaning the rate prevailing on the parallel market, he said.

Haiti

Further on State Council, Executive Feud

FL2208133890 Port-au-Prince Radio Nationale in Creole 1300 GMT 21 Aug 90

[Excerpts] The State Council's decision to break relations with the executive branch of the government continues to provoke many stirrings within the Haitian political class. [passage omitted]

The Union of Democratic Patriots [UPD] says it congratulates these gallant patriots for having dropped their masks. UPD, which is in the camp of those who have been condemning the destructive policy that the State Council and the executive have been practicing for the past five months, feels that the collaboration between the State Council and the executive was phony, an attempt to fool the Haitian people—in view of the interests being defended in that connection. That is, both parties, the State Council and the executive, are, within the government, both defending their own personal interests.

The 13 March 1990 alternative failed. UPD asks all the protagonists to simply step down from the government in Haiti. UPD, which says it has taken note of this failure, thinks that only true unity between responsible leaders and competent patriots with (?integrity) can eliminate the current crisis in Haiti.

For its part, the National Front for Democracy and Change [FNCD] says it is in solidarity with the members of the State Council. During a general assembly held 19 August, the FNCD chose Victor Benoit, Turneb Delpe, and Evans Paul—also known as K. Plim—to be the Front's spokesmen until a presidential candidate is chosen. The Front's colors are light blue, yellow, and green. [passage omitted]

Communique Reiterates Desire To Hold Elections

FL2208170190 Port-au-Prince Radio Nationale in Creole 1300 GMT 21 Aug 90

[Text] Haiti's provisional President Ertha Pascal Trouillot has reiterated her desire to lead Haiti to general elections. A press release from the Ministry of Information, Culture, and Coordination dated 17 August 1990 says Haiti's provisional government feels it is obliged to remind everyone that its essential mission is to lead the nation to general elections. The government also feels it is its duty to call on all the different components of Haiti's political class to make a great effort, within the deadlines set by the electoral calendar, so that the Haitian people can choose in a fully lucid manner—meaning with their heads well in place, set squarely on their shoulders—[words indistinct] government apparatus.

The nation's provisional government, aware of its duty and its delicate and difficult mission, remains open, as always, to all dialogue capable of yielding good results, dialogue whose only purpose is to ensure respect for the nation's higher interests.

That was a press release from the Ministry of Information, Culture, and Coordination, in which the provisional government of the Republic reminds everyone that its essential mission is to lead the nation to general elections. These elections are scheduled to be held on 4 November 1990.

FNCD Holds General Assembly 19 August

FL2208163290 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 21 Aug 90

[Text] The National Front for Democracy and Change [FNCD] held a general assembly last 19 August. Representatives of FNCD member-organizations came in from the nation's nine geographical departments for this big general assembly in Port-au-Prince; and the assembly issued a resolution containing a number of different points.

The FNCD is not motivated exclusively by elections. Rather, it exists to support all the main demands the Haitian people are making in the struggle to obtain indispensable conditions before these elections. That means FNCD will not participate in just any old kind of elections, nor will the FNCD leave the field clear for the enemies of democracy and phony democrats to do a number on the population.

The FNCD is not adopting any traditional right/left schema. This means it is a front for all true partisans of change and democracy for Haiti and the Haitian people.

The Front is determined to wage a peaceable struggle to create conditions for proper elections, to prevent any further repressive or rigged elections from being held.

The FNCD remains open to all organizations and serious political parties that agree with the Front's statutes and with the protocol agreement it is going to draw up.

The FNCD reiterates its solidarity with the State Council, which has taken a clear stand in support of the Haitian people's demands.

The FNCD has decided to get together with all other serious democratic sectors who wish to seek a solution to the crisis Haiti is facing today, with Ertha Pascal Trouillot at the head of the government.

Those are a few of the points contained in the resolution issuing from the FNCD general assembly that was held last 19 August in Port-au-Prince.

Jamaica

Haiti To Close Embassy for 'Economic Reasons'

FL2208160690 Bridgetown CANA in English 1533 GMT 22 Aug 90

[Text] Kingston, Jamaica, August 22, CANA—Haiti is closing its embassy in Jamaica at month end for economic reasons, JAMPRESS, the national news agency reported Wednesday. The brief statement gave no details. Jamaican Foreign Ministry officials were unable to say who will look after Haitian affairs here.

*** Montes Parra Seen as New 'Zapata' by Peasants**

90CA0085A Mexico City PROCESO in Spanish No 711, 18 Jun 90 19-21

[Article by Guillermo Correa]

[Text] Tuxtepec, Oaxaca—Throughout the Papaloapan Basin, a region of cacique holdings, violence, and murder, the name of Margarito Montes Parra is legendary: The landowners of Oaxaca and Veracruz say he is "an agitator, a guerrilla, a criminal who should be behind bars."

The peasants, in contrast, consider him "the Zapata of the region. He is the only leader," they say, "who supports us and keeps his word. Thanks to him, we now have the land that was taken away from us by the great estate owners. It is true that he has a bodyguard and carries weapons, because he fights against them. And he has to take precautions."

During the last four years, Montes Parra, 37, a native of the Yaqui Valley in Sonora, has become the "executioner" of families who have "enslaved" the Oaxacan and Veracruzian peasants for many years in this region, where the two states border each other. The leader himself mentions the Bravo Ahuja family, the Garci Crespo family, and the Moreno Sada family; the Rosas', the Hernandez', the Dominguez', Ruben Rivera, Cirilo Vazquez, and Toribio Gargallo, among others. "Sinister families," he says, "who have dedicated themselves to killing peasants."

A member of the collective leadership of the Popular Peasant and Worker General Union (UGOCP), he always has protection to guard against ambushes. "He's like a ghost. Every once in a while they say he's been killed, but he turns up again," asserts one of his followers.

Montes Parra has earned the hatred of the rich in this region because since 1986 he has "distributed" more than 30,000 hectares of peasant land that the rich were holding. They also hate him because he helped resolve the agrarian problem of the Cerro de Oro Dam to the benefit of 48 "ejidos" [Indian community-held farmlands]. And because he takes action to make sure the Indians can defend themselves. For this reason, those who claim to be the victims of invasion blame him for almost everything that goes wrong in the region. Through the local newspapers, they implicate him in fraud schemes amounting to many millions of pesos. They say he razes entire villages, and they call him "the Czar of the Papaloapan." They claim that "in his land-invading business" he has been given "the blessings of the president and the governors of each state."

But Margarito Montes Parra meets the accusations head on. He relates that from nine groups with which he started working in the area in late 1986, the organization has now grown to more than 350. "We have recovered and turned over land to about 60 ejidos. We resolved 48 disputes revolving around the Cerro de Oro Dam. And we have begun to create a very large economic infrastructure that is currently reflected in a Credit Union, nine ejido unions, machine production projects, and even civil engineering, cattle fattening, residential housing construction, a peasant training center, medical services, and a women's organization. All this within a framework of continued mobilization in the region."

He adds: "This is the specter of the so-called violence they accuse us of. As we have said, we have not invaded; we are removing the invaders from the land. In the second place, we have given these men some of their own medicine, after they have wielded the noose and the knife against the interests of the peasants.

"For example, we could not go peacefully to take away land from Toribio Gargallo at Laguna Gallo on 30 January 1988, knowing that he had killed 39 peasants. So we mobilized 4,000 people armed with shotguns, machetes, hoes, and everything. And even the government had to recognize that it was impossible to get into the area of Tezonapa under the conditions of cacique rule and brutality that existed. When these conditions abated, the organization's violence was eliminated."

Short in stature, dark-skinned, with a Zapata-type moustache and rapid speech, Margarito says he always acts within the law. The agrarian cases in which the president ruled favorably are studied, he explains; then there are contacts with state authorities and officials of the Agrarian Reform Secretariat (SRA). And if no agreement can be reached, the lands are recovered. This has been done invariably with the "caciques," to the extent that at least 100,000 peasants have become followers of his, seeking redemption.

"I have a record of winning claims and suits opposite more than 60 attorneys for small landowners, demonstrating that presidential resolutions, such as that of Soledad Macin, for example, were totally favorable to the peasants. In all cases there had already been execution and even plans, although the peasants did not possess them physically. We won the lands that had received legal protection. Many lands were won through exchanges: If the government refused to turn them over even though they were subject to proceedings, it would buy lands elsewhere in the region. When this happens, we always make it a condition that they be nearby lands."

Throughout the Country

Between 1978 and 1986, Montes Parra directed the Independent Revolutionary Peasant Coordinating Committee (CCRI). Before that, he served as an adviser to the National Coordinating Board for the Ayala Plan (CNPA) for seven years. He says he has participated in peasant movements throughout the country, especially in Sonora during the government of Samuel Ocana Garcia, today undersecretary of the SRA. He describes that era as one of great peasant triumphs, when land was distributed in the Yaqui and Mayo Valleys. "Although I can't take credit for that; there were people more experienced than I."

"I have been a political leader in the Revolutionary Workers Party (PRT) since 1976. I am a member of the board of the 4th International. I was a professor-researcher for eight years in Chapingo. I am an agronomic engineer with a specialization in rural sociology. I was a student leader at the Autonomous University of Chapingo (UACH) until I joined the Internationalist Communist Group, a precursor of the PRT." A candidate for deputy who is an unabashed leftist militant and who "congratulates" himself for the treatment President Carlos Salinas de Gortari has given him during his visits to the region, Margarito Montes Parra also currently serves as coordinator of the Permanent Agrarian Council (CAP), the most important peasant organization at the national level.

He recalls that the Papaloapan Basin has witnessed one of the worst examples of peasant exploitation. "Slavery reigned during the era of Porfirio Diaz in the National Valley, also known as the 'valley of death' in John Kenneth Turner's book 'Barbarous Mexico.' The situation improved a bit with the land distribution under Cardenas in the 1940s. Then came regional development, the livestock industry was consolidated, the economy grew, and at the same time another landowning caste emerged to appropriate the lands intended for the peasants. The new cacique group forged alliances with whatever governors were in office at the time. The Arronis, the Chuntis, and the Bilaboas came on the scene; they still hold important public offices. On the Oaxaca side, there are the Moreno Sadas; one of them, Juan Manuel, is a federal deputy and former president of the National Association of the Processing Industry (CANACINTRA). And also the Bravo Ahujas, who have held important positions such as governor and secretary of state under Luis Echeverria.

"They are caciques, capitalists, and public officials. They confronted old ejidos; they stole land; they pressured to have the Cerro de Oro Dam built. But in opposition to them there arose a major peasant movement in the early 1970s. Between 1970 and 1977 there were land takeovers on the Oaxaca side; the vast majority of them were put down. The peasants went to jail. On the Veracruz side, the movement was stifled by bringing in the Army. Echeverria turned over the land, but only on paper. These were years of great violence, the era of 'Sonora Matancera' [a play on the name formula commonly used by musical bands that begin with "Sonora..."; thus, "la Sonora Matancera" is "The Killing Band"] in Veracruz, the era of the great caciques who have divided up the states since then. During those years there were strings of murders, and whole villages disappeared. They culminated in the experience of 'El Desengano' and the peasant resurgence beginning in 1986."

One date that is not forgotten in the Papaloapan Basin is 10 October 1986. That day 350 hectares were taken over on the Camelia Roja holding, which was in the possession of the Bravo Ahuja family. There, says Montes Parra, began the cycle of mobilization that is still under way now. For eight months they squatted on the land and risked a battle with the police. "In July 1987 we won the land that had belonged to the peasants for 50 years under the presidential resolution of 21 April 1937. We triumphed over the Bravo Ahujas, who were the cream of the caciques. After that, nothing can stop us."

Caciques' Campaign

Next came the takeover of the Zacate Colorado holding, which was possessed by the Garci Crespo family in spite of rulings in favor of the peasants five years earlier. The mobilizations increased. There were 72-day sit-ins with nearly 4,000 UGOCP members. Then came the incident with the Gloria de Copa ejido, followed by that of "El Desengano," which was "snatched" by the Moreno Sada family. "And since that time, we have turned over land almost every month. More than 100 plots of land were turned over between November 1987 and November 1989. Today," says Montes Parra, "we are about to resume the great mobilization."

He contends that the campaign against him is the negative part of the peasant mobilization, however. "Because we have confronted such big cacique empires, they have been able to make extraordinary use of the mass media. They have been able to pay for campaigns lasting up to three months, systematic campaigns accusing me of stealing 400 head of cattle. As recently as two weeks ago, on 23 May, they devoted eight columns to a story saying that I had murdered 18 peasants in La Bolsa, a town in Oaxaca, which is false."

The UGOCP leader says that tensions have heightened further in recent weeks. "The last Sunday in May we thwarted an attempted ambush. The small landowners were preparing an attack on me. They were unable to carry it out, and the following morning they kidnaped two peasants from the Amapa ejido. I get the feeling that as we have lowered the intensity of the mobilization, the mini-landowners have laid several traps for us. Their press campaigns are well orchestrated, and I think Olga Moreno of EL HERALDO DE MEXICO is in charge of them. She is a press spokesperson for the entire Moreno Sada family, and they are the main caciques. She is their sister."

Continuing to describe the negative aspects of his struggle, the leader mentions the murder of his friends. "Like that of Santa Sofia, who was taken from a bus and massacred. Or the Parroquin brothers, whom they killed thinking they were me. They also wounded my brother. It was in October 1988, a federal highway policeman riddled them with bullets. Other similar events have occurred in Playa de Vaca, in San Vicente, in Tierra Blanca."

Then he says that in spite of everything, the caciques "like the Bravo Ahujas still have a lot of economic power. In fact, many of their protests are hypocritical, because actually part of the solution to the agrarian conflicts has resulted in the payment of many millions of pesos in compensation. They have been paid 28 million pesos for Camelia Roja since 1987. In the Arroyo

Choapa case, the sum is 200 million. The Cerro de Oro land was bought at market prices." And he estimates that the cacique families have garnered at least six billion pesos from the land transfers in this region.

He contends that the support for the UGOCP from the local and federal governments is the result of the mobilization. Last year, for example, when Salinas de Gortari visited the Cerro de Oro Dam, more than 10,000 UGOCP members formed the letters of the organization's name with their own bodies, despite the opposition of the Presidential General Staff.

Montes Parra confesses: "I consider the UGOCP to be a national-scale project of the masses. What we are doing in the Basin is just one of the jobs we are doing throughout the country. We are linking the peasant movement to the urban and labor movements. In the Papaloapan Basin we have resolved about 17 major labor conflicts. We have been ardent in our defense of human rights. We have gotten more than 150 peasants out of jail. We carried out an entire economic and organizational project that exceeds that of any other regional or even national peasant organization. We want to go beyond the struggle for land to a more complex struggle. In this regard, the UGOCP is a social movement that encompasses the entire population of the poor and oppressed."

He does not fear being coopted by the government. "I believe in the friendship of the officials, but I believe more in my organization," he declares.

And he concludes: "I am familiar with the country's agrarian history and I am going on the basis of one premise: Not one inch of land is ever given to the peasants without a mass mobilization. Never, not even under Cardenas, not even with Jaramillo, not even in the Yaqui Valley. Nothing is given for free, out of the goodness of their hearts. The peasants had better understand that."

El Salvador

Government-FMLN Talks End Without Agreement

PA2208231290 Panama City ACAN in Spanish 2152 GMT 22 Aug 90

[Text] San Jose, 22 Aug (ACAN-EFE)—The Salvadoran Government and guerrillas concluded a round of talks in Costa Rica today without reaching an agreement on the future of the Armed Forces, which hampers a cease-fire initially scheduled for 15 September.

Peruvian diplomat Alvaro de Soto, UN Secretary General Javier Perez de Cuellar's envoy, said at a news conference that there was no agreement on "the most difficult topic of the agenda agreed on in Caracas" in May—namely, the Armed Forces, which "affects all the remaining topics."

"It does not seem realistic to think that the goal of signing a cease-fire on 15 September can be reached," De Soto added. Besides the military, the agenda includes the topics of human rights; amendments to the Constitution, the judicial branch, and the electoral law; an economic and social pact; procedures for international verification; and the signing of the cease-fire agreement.

The next round of talks will be held from 13 to 18 September, again in Costa Rica and again on the future of the Armed Forces.

The Farabundo Marti National Liberation Front (FMLN) noted in a communique that in this round of talks "all points regarding the Armed Forces and the possibilities of taking steps in the short term to verify the partial agreement on human rights," signed three weeks ago in San Jose, were discussed. De Soto noted that, after consulting with the UN Security Council, Perez de Cuellar will introduce a "formal proposal" to initiate the formation of a verification mission on human rights, to begin its work after the cease-fire is signed.

The FMLN accused Alfredo Cristiani's government of "intransigence" and blamed it for the failure to reach agreements. However, Justice Minister Oscar Santamaria, the head of the government delegation, said that, although no agreements were reached, the round that ended today "was very useful." Santamaria announced that in the next meeting the United Nations "could present" a summation on the issue of the Armed Forces.

UN Mediator Asked To Draft Proposal

PA2308044690 Mexico City NOTIMEX in Spanish 2311 22 Aug 90

[Text] San Jose, 22 Aug (NOTIMEX)—The Salvadoran Government has asked Alvaro de Soto, UN mediator in the dialogue with the guerrillas, to draft an intermediate proposal on the Armed Forces to facilitate an agreement between the two parties.

At the end of the fourth round of the peace talks, Salvadoran Justice Minister Oscar Santamaria stated that the mechanisms to establish a cease-fire in the armed conflict had been submitted.

Santamaria did not go into the content of the government proposal and did not say whether it was discussed during the six days of talks held with the Farabundo Marti National Liberation Front [FMLN] in this capital. The talks ended today without any agreement.

The government had asked that a unilateral cease-fire be decreed as of 15 September and that at the same time an international commission be installed in El Salvador to verify respect for human rights, sources close to the meeting have reported.

In its proposal, the delegation of Alfredo Cristiani's government had requested that a truce be signed with the FMLN on 1 September to be effective on the 15th of the same month, and for extended periods until reaching the political agreements to overcome the armed conflict, the sources added.

At a news conference, Santamaria noted that the government negotiation commission had asked that a joint statement be issued calling for a gradual reduction in the levels of violence in El Salvador, but the FMLN felt it was inadvisable. He insisted that an agreement on the Armed Forces was not possible because the FMLN demands caused a "setback" and undid the progress achieved in the past meetings.

Santamaria also stated that in addition to asking the UN mediator for an intermediate proposal on the Armed Forces, the government had submitted a report on human rights violations allegedly perpetrated by the FMLN since 26 July, when a partial agreement on the matter was signed.

The fifth meeting between the sides involved in the 10 years of civil strife was set for San Jose, Costa Rica, on 13-17 September. It was reported that at that meeting the government would insist on its proposal for a unilateral cease-fire. The future of the Armed Forces will probably be discussed at that meeting. However, the UN representative at the talks said that to draft a unified document on the controversial topic of the Armed Forces, both sides would have to request it.

FMLN Communique on Rebel Maneuver, Army

PA2208212290 (Clandestine) Radio Venceremos in Spanish to El Salvador 1537 GMT 22 Aug 90

[Communique issued by the Farabundo Marti National Liberation Front, FMLN, on 21 August]

[Text] We hereby report that on 20 and 21 August our military forces carried out a national maneuver called For a Country Without Military Oppressors. All along the length and breadth of our country, the heroic FMLN fighters, through their righteous and determined actions,

have proved to be the guarantee of the national demand to end the militarism oppressing our country.

The victorious FMLN actions, conducted on a national level, are carried out in the framework of an increasing mobilization of the various workers' sectors. The workers express the need to end the militarization of Salvadoran society so the country may have a true democracy where social justice and freedom will prevail.

Meanwhile, in the San Jose meeting, the Salvadoran Government once again shows its intransigence and lack of true will to make deep changes in our country's military and economic policies and to contribute to a true negotiation process. This attitude concurs with the offensive actions launched by the Salvadoran Army in various departments of our country. Indiscriminate bombing by the Air Force and Artillery Corps against the civilian population in rural areas has been the mainstay of this attitude.

It is clear to see that the Salvadoran Government and Armed Forces still consider war as their main option in our country's internal conflict.

The FMLN reiterates to our people and to international opinion that we will continue with our goals of seeking democracy and social justice for all our people. We are convinced that only by ending militarism in our country can we build the peace that the Salvadoran people cherish so much.

Our firm stand in defense of these principles will be the FMLN's guidelines at the negotiating table as well as on the battlefield.

For a country without military oppressors, FMLN fighters are on a war footing.

FMLN, 21 August 1990

Rights Group Charges 50 Prisoners Missing

PA2308040190 Hamburg DPA in Spanish 0224 GMT 23 Aug 90

[Text] The nongovernment Salvadoran Human Rights Commission (CDHES) today urgently reported the disappearance of 50 political prisoners that on 20 August were taken out of the Mariona jail, located nine km north of San Salvador. The CDHES is denouncing this situation based on a report by the Mariona chapter of the Salvadoran Political Prisoners Committee (Coppes). The report stated that at about midnight and during the early morning hours of 21 August the prisoners were dragged out of their cells by jail guards and 1st Infantry Brigade soldiers who "beat and insulted them."

Also, CDHES added, another 25 political prisoners still remain in that jail. The fear is that attacks against them may be in preparation, since they were scattered among common criminals and infiltrated secret service agents. Because of this situation, Coppes asked the government to report on the whereabouts of these inmates and why they were removed from the jail.

FMLN Decries Government Action on Journalists

PA2108172490 (Clandestine) Radio Venceremos in Spanish to El Salvador 0200 GMT 21 Aug 90

[Communique issued by the Farabundo Marti National Liberation Front [FMLN] delegation in San Jose, Costa Rica on 20 August]

[Text] We have called for the immediate end to the presidential decision to maintain restrictions on the free mobilization of journalists in our national territory, a mobilization that is an essential requirement for the fulfillment of their professional duties, an indispensable task in any democracy.

Freedom of the press and the fulfillment of journalistic duties is included in the 26 July San Jose agreement whereby the two parties agreed to fully guarantee this and to do so immediately.

Thus, the agreements on human rights signed by the Farabundo Marti National Liberation Front and the government cannot be violated—much less limited or annulled unilaterally by any of the parties.

The unilateral government decision to respond to the reporters' letter, a letter that had been addressed to the two sides, demanding an end to restrictions and obstacles to their free mobilization grossly violates the San Jose agreements and casts a doubt on the seriousness and usefulness of the negotiations.

Why negotiate and sign an agreement if the reality will be the same or worse? The credibility of the negotiations must be rescued and defined; otherwise, there will be no real negotiations or a settlement. We will not lend ourselves to deceiving our people or the international public. For this reason, the FMLN has demanded that the government withdraw its unilateral decision to maintain the requirement that journalists should have safeconducts issued by the Armed Forces and other arbitrary restrictions on the free practice of journalism. The FMLN demands that the government comply with the San Jose agreements without any trickery. The government has still not met these FMLN demands, demands that are necessary for the future of the negotiations.

Commander Jorge Shafik Handal and Commander Eduardo Sancho

San Jose, Costa Rica, 20 August 1990

Guatemala

Eskenassy Picked as Vice Presidential Candidate

PA2108005090 Guatemala City SIGLO VEINTIUNO in Spanish 10 Aug 90 p 4

[Text] David Eskenassy, an agroindustrialist and senior member of the National Liberation Party [MLN], was

picked yesterday by that party as its candidate for vice president to run with presidential candidate Colonel Luis Ernesto Sosa Avila. In a meeting of the MLN's executive committee, the party's top leadership discussed the selection of the vice president and chose Eskenassy, a top aide of MLN leader Mario Sandoval Alarcon. The party ticket will be announced on 18 August at 0900 at the MLN's headquarters.

Honduras

Cantarero Comments on Armed Forces Issues

PA2208171490 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 20 Aug 90

[Interview with General Arnulfo Cantarero, commander in chief of the Armed Forces, by Juan Bautista Vaz; place and date not given—recorded]

[Text] [Vaz] General, regarding the recent situation resulting from the holdup of the Bank in El Zamorano, how do you see the campaign called Reward launched by the Armed Forces?

[Cantarero] As you can see, this proves that the campaign is successful. We received reports from someone we have identified, who told us where to go. The operation had negative results because lives were lost, but it was positive because we proved to the people that the Armed Forces' declarations are not merely speculations.

[Vaz] Was the holdup a terrorist act?

[Cantarero] Yes, I believe these are terrorists cells of the Cinchonero group. As I said once in an interview, the unconventional forces are in the country. They are in the process of obtaining logistical support so that they can start attacking towns and cities.

[Vaz] How can we look at this situation with all the political changes going on in the world? Honduras would be about the only country left with terrorists.

[Cantarero] You are aware that Latin American countries are prone to this type of activity because of our race, blood, and the dissatisfaction of many people because we have not achieved a just society. These movements are likely to emerge. Those people have to live. They have to operate in a certain way, and they do it by using any pretext.

[Vaz] Why did so many people die in this criminal action? There were even military casualties. Did the Army coordinate the operation to repel the bank holdup?

[Cantarero] The attackers were experts. Some of them were trained in foreign countries. We were not fighting amateurs. They are well-armed professionals, and bullets fly freely.

[Vaz] Why were the troops not wearing bullet-proof vests?

[Cantarero] They always wear them, but this was such a surprise operation that perhaps they did not have time.

[Vaz] Was there some error?

[Cantarero] I do not think so, although it is an error when lives are lost. However, as I said, when there is an operation of this type, there is likely to be a loss of lives on both sides.

[Vaz] Do the Armed Forces fear that there will be more of these attacks or that other types of violence will disrupt law and order in the country?

[Cantarero] The Armed Forces are prepared. That is our duty. We do not want to scare the people, but we want to warn them. We are asking them to cooperate with us. The Armed Forces are the people's protective arm. We want the people to help us by informing us of any strange happenings.

[Vaz] However, some sectors are skeptical about the existence of any subversive cells or leftist guerrillas in Honduras.

[Cantarero] I hope there will not be any more examples of violence for those skeptics to believe that these cells really exist. After this attack, violence will become more generalized because the native left is always active. They are always active in all countries. They are in a period of planning and obtaining logistic support to be in shape for the future.

[Vaz] According to your military intelligence, who is financing these guerrilla groups?

[Cantarero] They want to be self-sustaining. That is why they hold up banks. In the future, they will not stop at holding up banks and business establishments. There will be kidnappings and other things. However, we will do our best to prevent this.

[Vaz] Does this mean that there is no longer any international financing for these groups?

[Cantarero] I believe that in Latin America, Cuba is the only country that receives international financing. I understand that the subversives who had left Honduras for Nicaragua are returning. These attacks are part of this.

[Vaz] How much are you going to pay the person who gave the tip on the bank holdup?

[Cantarero] I do not know. There are agencies in charge of those matters. They will make the payment. The campaign announces that informers will not be identified. No names will be revealed to protect the identity of the informer.

[Vaz] What do you think about the proposed amendment to Article 107 of the Constitution on border and coastal areas?

[Cantarero] I have always said that the members of the legislative branch are experts in law. If they make any changes in the Constitution and the laws, they know what they are doing.

[Vaz] Nevertheless, those are strategic areas.

[Cantarero] Yes. There is an interinstitutional commission—in which military officers participate—that consults with our officers. Until now I have held no consultations. However, we will contact the president of Congress so that we can work together on this issue.

[Vaz] Besides the struggle by the Armed Forces to prevent subversives from disrupting law and order, how is the antidrug campaign coming along?

[Canterero] That is one of the most important issues in our country. We want to put all our efforts into it because our country is one of the shipping centers for drugs. We already have official information that drug experts and trained dogs are on the way and that international organizations are helping us in other ways. I believe that we are going to play an importnat role in this struggle.

[Vaz] Is the DEA [Drug Enforcement Administration] still helping the Honduran Government and the Armed Forces in the drug war?

[Cantarero] Yes. The DEA is one of the institutions that helps us the most in this matter. We get funds, training, equipment, and other necessary things that Honduras cannot provide.

[Vaz] Going back to the topic of subversion, do you think the Armed Forces have been infiltrated by subversives?

[Cantarero] Yes, this happens in all organizations. We are vulnerable to infiltrations. We have discovered many infiltrations in various Army units. This has not been reported because this is intelligence information. However, we have submitted these cases to military courts and have obtained a lot of information.

[Vaz] Has this happened recently?

[Cantarero] It always happens.

[Vaz] Do you think that drug-trafficking sectors could be financing what you call subversion?

[Canterero] Subversives resort to all means. They do not care where the funds come from. All they want is to accomplish their objectives. I want to to make an appeal. Do you remember the publication referring to a campaign offering to renew the war? This campaign helped identify a lot of people. I want to urge you reporters to look back at articles published at that time so that you can see who the people are who said they were against this campaign. Those people lean toward the left wing. They served as figureheads just to wage a campaign against the Armed Forces. Those were isolated cases, but I think there will be new similar actions. I am certain that people will understand that the Armed Forces message deals with a reality and is not plain speculation.

[Vaz] Does this mean the Central American peace process is not being fulfilled within the framework of Esquipulas II agreement?

[Canterero] I understand that all commitments in the Esquipulas II agreement have been fulfilled. For example, the demobilization of the contras, the verification by the CIAV [International Commission of Support and Verification] and so forth. Unfortunately, subversives in our country have to find a means to live. They are used to being subversives and cannot stop overnight.

[Vaz] Do you consider that the sharp social injustice existing in Honduras is an incentive for subversives to strengthen and succeed?

[Cantarero] History proves that this is true. Certainly, the measures adopted by the president have not been welcomed. However, we must abide by such measures as much as we can.

[Vaz] Therefore, one can infer from your statements that times of national security are back in Honduras. This was in fashion from 1982 to 1984 during the times of Gen. Alvarez Martinez.

[Cantarero] This could be the beginning of the times you just mentioned. We hope this will not happen. We should all help and halt this evil on time.

[Vaz] As for drug trafficking, what is your opinion about the writ of amparo filed before the Supreme Court by Judge Izaguirre in favor of Ramon Mata [Ballesteros]?

[Cantarero] As you are aware, there is a lot of money involved. I would rather not comment.

[Vaz] Are the Armed Forces prepared to defend Honduras' democratic system?

[Cantarero] That is the main task entrusted to us in the Constitution. We will accomplish our duty no matter what it takes.

[Vaz] Gen. Cantarero, why are you celebrating your birthday here?

[Cantarero] Friends are celebrating my birthday. I am just another guest. I openly want to thank all people, friends, and comrades in arms for their kindness. I will never forget this.

[Vaz] Would you like to send a message to the Honduran people?

[Cantarero] I would like to ask Hondurans to help the Armed Forces. We are part of you. We receive funds from the people. Therefore, when one invests, one takes care of his investment. You have invested in us, so please take care of us and protect us, and we will do the same for you.

Better Relations, Trade Sought With USSR

PA2208224990 San Pedro Sula LA PRENSA in Spanish 18 Aug 90 p 2

[Text] Tegucigalpa—It is increasingly likely that Honduras and the USSR will, for the first time in their history, establish diplomatic relations and increase their trade exchange.

Soviet Ambassador to Nicaragua Valeriy Nikolayenko met on 17 August with President Rafael Leonardo Callejas at a special hearing. They discussed the need to take advantage of the "pleasant atmosphere" currently prevailing in the Central American region and the entire world to initiate economic and commercial ties that will benefit both countries.

The Soviet diplomat arrived at the Government House accompanied by Foreign Minister Mario Carias Zapata and Honduran Ambassador to Nicaragua Mario Maldonado.

"The purpose of this friendly visit to Honduras is to consider the possibility of developing our relations," Nikolayenko said.

The idea, he added, is to forge diplomatic relations, which "undoubtedly will contribute to the development of relations in all areas between our countries."

In the field of commerce, the USSR would be a good market for Honduran bananas and lumber, and in this exchange the USSR could even contribute through specific programs to the increased cultivation of these products in Honduras.

The USSR is also interested in cultural exchanges, and, if the Honduran Government will allow it, would be willing to authorize visits by Soviet musical groups to Honduras.

Official sources announced that the Soviet ambassador's presence coincided with the arrival of U.S. Ambassador to Honduras Crescencio Arcos at the Presidential House, although the issues discussed by Arcos and President Callejas were quite different. The first to meet with the president was Arcos.

Foreign Minister Carias Zapata said that it is very likely that, for the first time in Honduran history, it will initiate a period of relations with the USSR, but he explained that there are several steps that must first be taken before reaching such an agreement.

First, a fluid commercial exchange must be established, through which Honduras would have access to trolley buses, fertilizers, and technical cooperation and would take advantage of the Soviet market to sell lumber, coffee, bananas, and sugar, which are the country's basic exports.

"This is a phase in which the USSR is proving—after all of the political and economic reforms that it has carried out—that it is joining the world economy, and I believe that it can provide positive results for developing countries like Honduras," the foreign minister said.

"We are discussing it," Carias Zapata said in response to questions concerning the specific possibility of the USSR establishing an embassy in Honduras.

"I believe that the atmosphere is appropriate, that the current situation is very good, and that it is very likely that Honduras will improve its relations with the USSR," he added.

He later said that "these talks in Tegucigalpa are proof of that interest, and this month we will continue identifying points on which we concur so that the two countries can reach an agreement."

The foreign minister said harshly that Honduras need not consult with the United States to enter into diplomatic negotiations with the USSR.

The Soviet diplomat also met with members of the National Congress.

Nicaragua

Decision To Terminate Godoy Leadership Viewed

PA2208230090 Managua BARRICADA in Spanish 21 Aug 90 pp 1, 4

[Text] Following lengthy debates, the 14 political parties comprising the National Opposition Union [UNO] decided last night to separate Virgilio Godoy from the presidency of the organization's so-called Political Council, a position that he held for several months.

Shortly before the voting, Social Democratic Party Deputy Adan Morales, who promoted Godoy's removal, showed BARRICADA the final reorganization documents that were discussed for several weeks, which were entitled "General Statute of the UNO Political Council and a Basic Document."

Morales said that Virgilio Godoy finally "agreed to leave his post," thus eliminating the main obstacle to the reorganization of the alliance. From now on, Godoy will have no power in the Political Council except for his role as leader of his party (the Institutional Liberal Party, PLI), as long as he is not replaced by another member of his party.

After making great efforts to convince Godoy, the UNO Political Council finally agreed that each party will have its own leader at the National Assembly. In this manner, the national parliament will be divided into 14 parliamentarian groups of the UNO, one of the Sandinist National Liberation Front, and another of the MUR [Movement of Revolutionary Unity] represented by Deputy Moises Hassan.

A source from the UNO consulted by BARRICADA confirmed that "the main obstacle to the reorganization was Virgilio, who wanted to remain as president of the Political Council for life."

Godoy's separation was promoted by Alfredo Cesar's Social Democratic Party in an effort to "harmonize" the relations between the government and its deputies, which had seriously deteriorated during the first four months of government.

"Several parties (that supported Godoy) have realized that it is better to support the government," Deputy Adan Morales said, but he abstained from mentioning which parties, "because that always causes problems."

One of the important decisions made was to give the presidency of the so-called Political Council a "rotating mode" from now on. Therefore, each one of the 14 political parties will occupy that position. The changes also affect the functioning of the government's parliamentary bloc. The bloc leaders, who cannot be party leaders at the same time, will elect a "general coordinator" among them for a period of 30 days.

The parties also agreed to modify the regular functions of the Political Council. Effective today, the quorum for making decisions will be subject to the number of representatives who are present; in other words, if only 13 parties are present, the quorum will be 10; if 12 parties are present, the quorum will be nine, and so on.

That decision was another blow to Godoy's attempt to control the Council's debates. Until today, Godoy had only to order his party members not to attend a meeting in order to prevent decisions affecting him, or to order them to attend a meeting when the decision was in his favor.

Panama

Reportage on Dismissal of Police Chief Herrera

Herrera's Dismissal Announced

PA2208143090 Panama City Radio KW Continente in Spanish 1415 GMT 22 Aug 90

[Text] It has just been announced, and seems to have been confirmed already, that National Police Chief Colonel Eduardo Herrera has been dismissed, and that the government is currently looking for someone to replace him. We will be reporting this morning, perhaps on this program, who his replacement is.

Quezada Appointed 'Acting Director'

PA2208173590 Panama City ACAN in Spanish 1715 GMT 22 Aug 90

[Text] Panama City, 22 Aug (ACAN-EFE)—Colonel Eduardo Herrera has resigned as director of the Panama National Police, and President Guillermo Endara's government today appointed Lieutenant Colonel Fernando Quezada as "acting director," according to a Government Ministry source.

The same source added that Herrera's post was offered to and rejected by several prominent civilians, including businessman Cesar Tribaldos, deputy foreign minister Raul Mulinos, and government official Moises Castillo.

Spokesmen for the National Police and the Presidency of the Republic informed ACAN-EFE that Colonel Herrera is presently in the United States. The sources added that Herrera had requested "a six-day leave of absence" this week.

Herrera was appointed chief of the Public Force in January to replace Colonel Roberto Armijo, who had remained only 10 days at the head of the Public Force that replaced General Manuel Antonio Noriega's Defense Forces after the U.S. invasion on 20 December.

The Public Force was later divided into several units, and Herrera remained only as director of the National Police.

Further on Quezada's Appointment

PA2208192390 Panama City Radio KW Continente in Spanish 1841 GMT 22 Aug 90

[Presidency Press Communique read by President Guillermo Endara at the Presidency in Panama City on 22 August—recorded]

[Text] The president, together with the government and justice minister, approved the following decisions in line with the public security policy adopted by the government to form the national police as an organization capable of providing security in the face of the crime wave, but fully respecting human rights:

1. They accepted the retirement request made by Colonel Eduardo Herrera Franco, who has served as general director of the National Police until today.

2. They considered the following citizens for the post: Cesar Tribaldos Jr., Moises Castillo, Aurelio Barria, and Jose Raul Moreno. However, all of these persons declined for personal or professional reasons.

3. They assigned to Lieutenant Colonel Fernando Quezada the duties of acting general director.

4. They ordered the acting general director to deploy all available National Police members to vigilance duties to prevent and repress any criminal acts.

Endara Explains Retirement

PA2208195590 Panama City Radio Ancon in Spanish 1904 GMT 22 Aug 90

[News conference held by President Guillermo Endara and Ricardo Arias Calderon, first vice president and government and justice minister with local reporters and

unidentified moderator at the Presidency in Panama City on 22 August—recorded]

[Text] [Moderator] There is a microphone in the back for reporters, and there is one for the first vice president. Go ahead, Leonel.

[Burgos] I am Leonel Burgos of Panama's Radio Libre. Mr. President, ACAN-EFE reported that Colonel Eduardo Herrera left Panama on Friday. But it was not until today when his retirement was announced. My question is: Did the colonel submit his retirement request before leaving the country or did the president retire him this morning?

[Endara] A few days before Friday, Col. Herrera had requested leave to go to the United States. This leave was granted on Thursday, and on Friday he began his leave. The retirement was the result of a telephone conversation between Col. Herrera and myself.

[Burgos] While he was here?

[Endara] He was in the United States, and I answered from Panama this morning.

[Burgos] Did he say he refused to come back?

[Endara] No, he has not refused to return. He, like any Panamanian citizen, can return whenever he wants to. I am sure he will come back very soon. There is no problem about that.

[Moderator] Any colleague who wants to ask a question, please raise your hand. Mr. Jose Hernandez from Telemetro will ask a question now.

[Hernandez] Regarding the telephone conversation you mentioned, a few minutes ago [words indistinct] I put on the air a live conversation with Col. Herrera. He admits that he talked with you over the telephone. But it seems that he hinted that there was a lack of tact in the way that he was retired. He conceded that he submitted a request for it but noted that he had hoped that you would have waited until he returned to the country. What can you tell us about that?

[Endara] I do not think there was any lack of tact. However, I do not recall the conversation word for word. I can assure you that it was a friendly conversation. I feel that Col. Herrera is my friend. He is a Panamanian who can still be of great service to the country. If there was any lack of tact, I did not realize that and, if it is so, I apologize. It was not my intention to be tactless. I think there was no such problem, at least not one of which was I aware.

[Saldana] Asked about the crime wave, Arias Calderon, minister of government and justice and first vice president, said that the plan the government has is that which the president announced: the deployment of all available National Police members to vigilance duties to prevent and repress any criminal acts.

Herrera Notes Lack of Courtesy

PA2208213190 Panama City Radio Exitosa in Spanish 2006 GMT 22 Aug 90

[Telephone interview with Colonel Eduardo Herrera, former general director of the National Police, by Radio Exitosa General Director Aristides De Icaza on 22 August, from Miami—recorded]

[Text] [De Icaza] Colonel Herrera, this is Aris de Icaza. How are you?

[Herrerra] Very well, Aris. Everything is all right here.

[De Icaza] I am a bit surprised, and so are the citizens here. We are on the air talking right now. It seems that at 1300, Government and Justice Minister Ricardo Arias Calderon will announce that you have retired from the Public Force. With this, Arias Calderon will approve your request to retire, which you wanted to submit a few days ago. This was what was reported to us, but we have been unable to confirm it with your office or unofficially. We would like to know what there is to know about it.

[Herrera] I can tell you that yesterday I received several calls from personnel who work with me, and they told me that they had all been transferred to different places in the city. They were members of my escort. I was surprised about this because I came to the United States to pick up my children who were here on vacation. I was supposed to have returned today. Therefore, it was a big surprise for me. I asked the reason for it.

This morning I received a telephone call from the president, during which he informed me that I was going to be retired for Public Force reorganization reasons. This is all I know so far.

[De Icaza] I have been told the same. I understand that the order of the day contained the transfers of various units. I insisted on this to Exitosa early today. However, there was no official report. There were only unofficial reports that were being leaked. So, I had no recourse but to call you in Miami where I knew you had gone to to see your children who were on vacation and who you had not seen for a while. I knew that you had taken advantage of the weekend to go see them.

Anyway, we were surprised by the news and so were the citizens in general. I knew that you wanted to retire. I knew that you had requested your retirement a few days ago and that it was a decision that was pending with the president and the government minister.

Thus, I do not know what else could be added to this comment, Colonel.

[Herrera] I have learned that there was some tension at the garrison because of the way in which the retirement was approved. I want to tell you, my comrades, to keep calm, that we must maintain loyalty to the president as we swore to, and that things must be the way they have to be. We all have to reach the end of the road. It was my turn to reach that end. So, I ask them to keep the

necessary calm, even though things were not done the best way possible because I was not in Panama—I feel that they should have waited for me to return to Panama. Although I talked to the president who notified me of my retirement, they should have waited. I think there was a lack of courtesy in that regard—they should keep calm. I believe that this has upset some Public Force members or is making them restless. However, I want to tell them that for the sake of Panama, our country, which needs jobs and food for our people to eat—the large number of robberies is no longer due to a lack of equipment, but to the unemployment problem—to keep calm. Panamanians have to work to resolve these problems. Even if I am no longer within the Public Force, I will continue to want, just like any other Panamanian, a real reconciliation, and for all Panamanians to have a plate of rice and beans every day.

President Endara Discusses Herrera, Riots

PA2208232490 Panama City Radio KW Continente in Spanish 2147 GMT 22 Aug 90

[Report by Jenny Lee Martinez—italicized passages are recorded]

[Text] The government has appointed Lieutenant Colonel Fernando Quezada to be the acting director of the Public Force. The appointment was made after the government proposed the names of four civilians as possible candidates for the post. However, none of them accepted the appointment. President Guillermo Endara made statements on this and other topics.

[Endara] *They accepted the retirement request made by Colonel Eduardo Herrera Hassan, who served as general director of the National Police until today.*

2. [number as heard] They considered the following citizens for the post: Cesar Tribaldos, Jr., Moises Castillo, Aurelio Barria, Jr., and Jose Raul Mulino. However, all of these persons declined for personal or professional reasons.

3. They assigned to Lt. Col. Fernando Quezada the duties of acting general director.

4. They ordered the acting director general to deploy all available National Police members to surveillance duties to prevent and repress any criminal activity.

However, the retirement of Mr. Herrera has taken place at a time when he is out of the country. Concerning this, the president said:

[Endara] *A few days before Friday, Col. Herrera had requested leave to go to the United States. This leave was granted on Thursday, and on Friday he began his leave. The retirement was the result of a telephone conversation between Col. Herrera and myself, the president of the Republic.*

[Reporter] *While he was there?*

[Endara] *He was in the United States, and I was speaking from here—from Panama—this morning.*

As for the student disturbances that have taken place in Panama City, President Endara said:

[Endara] *I am not familiar with the details of what happened today, so I cannot give you a detailed report on that. However, I must say that our government has been very patient and very soft. You know very well that I have been accused of being too soft, and I must admit that when it has to do with the students, I will always be be very soft.*

However, we must protect the people. The citizens of Panama have a right to circulate in the streets. A group of students has no right to prevent citizens from moving about in the streets. A group of students has no right to tear down shops, as they have done. They must not harm the people or cause damage to society.

I insist I am soft with the students, and I am happy to be soft with the students. However, the time comes when we have to take action. You yourselves have told me so, and I have told you I agree with you.

When asked what the president thought about the statements made by Guillermo Ford in which he referred to members of the Public Force as faggots, the president said:

[Endara] *That topic is not included on the agenda of this news conference, and I will not answer any questions on that issue.*

[Reporter] *My question is addressed to Dr. Ricardo Arias Calderon, since the president does not wish to answer. Dr. Ricardo Arias Calderon, do you agree, or what do you think of the insulting manner in which Vice President Ford has referred to...*

[Endara, interrupting] *You then claim the press does not provoke conflicts among members of the government. I then get blamed for it. I feel your question is insolent, and I excuse the vice president from answering the question.*

Ex-Police Chief Herrera Returns

PA2308021890 Panama City Radio KW Continente in Spanish 0105 GMT 23 Aug 90

[Report by Homero Londono from Tocumen International Airport in Panama City—live or recorded]

[Text] Colonel Eduardo Herrera, whose retirement was announced today by the Presidency of the Republic, arrived at the airport 30 minutes ago.

Apparently Col. Herrera was going to leave the airport through the Diplomatic Room. However, members of state security who reminded us of the G-2 of General Noriega's regime warned Col. Herrera that there were reporters from the television and radio and also from LA

PRENSA waiting to interview him. It seems that he left through the back section of Tocumen International Airport.

We have been informed that he was accompanied by Mr. Bares, chief of security of the Presidency.

Further on Details of Retirement

PA2308024790 Panama City Telemetro Television in Spanish 2324 GMT 23 Aug 90

[Excerpt] Criticism leveled against the Public Force reached its peak level this afternoon when the Executive Branch made the official announcement of the retirement of Colonel Eduardo Herrera and the assignment of Lieutenant Colonel Fernando Quezada as temporary director of the National Police.

The acceptance of Col. Herrera's retirement occurred while the officer was on a leave of absence in the city of Miami, Florida, in the United States.

The Executive Branch this afternoon dispelled the expectations that existed in National Police installations and among city inhabitants by announcing the appointment of Lt. Col. Fernando Quezada as new acting director.

The climate began to brew last night with the sudden disbanding of a special security unit and Col. Eduardo Herrera's bodyguards. The special unit was headed by Captain Francisco Herrera, brother of the newly retired director of the National Police. Every effort was made to obtain an official explanation this morning, but it was said that both government and justice officials, as well as the newly appointed acting director of the National Police were meeting separately, which did not allow the presence of an authorized spokesperson.

Concerning the situation, the Presidency called a news conference this afternoon. At the news conference President Endara was accompanied by Government and Justice Minister Ricardo Arias Calderon, and Dr. Ebrahim Asvat, institutional director of public security. The president said: "The president of the Republic and the government and justice minister have made the following decisions according to the public security policy, which was adopted by the government to form the National Police as an organization that is capable of providing security in view of the existing criminality and totally respectful of human rights." [passage omitted].

New Public Force Chief Comments on Security

PA2308032990 Panama City Telemetro Television in Spanish 2330 GMT 22 Aug 90

[Interview with Colonel Fernando Quezada, new chief of the Public Force, by unidentified reporter; place and date not given—recorded]

[Text] [Reporter] The community is alarmed by the recent increase in the crime rate. What is the matter? Is there a quality problem within the Public Force? What is the problem?

[Quezada] I think it is a problem of effectiveness. However, I believe and I am convinced that, based on what we have handled and seen, the crime rate will gradually drop. I believe that it has already dropped and will continue to decline over the next few days.

[Reporter] What do you mean by a problem of effectiveness? Are you talking about quality? What do you mean?

[Quezada] I am talking about the effectiveness of the security services, because not just the police are responsible for providing good surveillance. It is necessary to incorporate the community, organizations, the PTJ [Technical Judicial Police], the maritime service, and the national air service into this job. What I mean is that it is a complex problem, and therefore it requires a comprehensive solution.

[Reporter] Is there any coordination among all those institutions?

[Quezada] Yes, there is. However, there are so many factors related to the problem that we must—and we are gradually, as we receive the funds—improve this coordination.

[Reporter] What would you tell the people who are worried in their homes because of the lack of security on the streets?

[Quezada] I do not believe that anything I might say will put them at ease. The best thing I can say is that our services will improve in the future, and we are working in that direction. We are dedicating our best efforts to this.

[Reporter] Is it true, as has been commonly rumored, that there are still remnants of the previous regime in the Public Force, and that those individuals hamper the work carried out by the institution? Is that true?

[Quezada] We cannot deny that we, the members of the Public Force, specifically the National Police, are all former members of the Defense Forces. However, that does not mean that we cannot be good policemen. On the contrary, I contend that good soldiers, those who did not take part in Noriega's wrongdoings, will be good policemen. However, the transition is gradual, and it is taking place. In the end, we will have good security services.

'Conditions' Attached to U.S. Aid Denounced

PA2208225990 Panama City EL PANAMA AMERICA in Spanish 22 Aug 90 p 1A

[Report by Juan Pritsiolas]

[Text] Foreign Minister Dr. Julio Linares has described the signing of a Mutual Legal Assistance Treaty with the

United States as an "offensive" condition "that disturbs him." Panama would receive $42 million of the $283.850 million donation as part of the agreement with AID [U.S. Agency for International Development] signed on 3 July, after signing the aforementioned treaty.

Linares admitted that many other conditions of the agreement between the government and AID should be implemented by Panama regardless of U.S. economic assistance. However, he said that he felt "uncomfortable" and "disturbed" concerning the Mutual Legal Assistance Treaty issue, which according to several trade associations is so broad that it represents an offense against the service sector, where 200,000 anonymous societies and 110 banks with deposits totalling approximately $30 billion operate.

Linares stated that the Cabinet Council had instructed him to discuss the exclusion of this condition from the agreement with AID with U.S. Ambassador Deane Hinton, but he added he was "unfortunately" unsuccessful.

Concerning the signing of the agreement with the AID, Foreign Minister Linares explained that there are two positions. The first is to refuse accepting any conditional aid to avoid the ensuing "yelling and protesting" that the U.S. Congress had approved the aid without conditions. Others support the idea of signing the agreement and later refusing to accept money, depending on provisions that may adversely affect the interests of Panama at the time of disbursement.

Julio Linares added that some people, such as former Foreign Minister Carlos Lopez Guevara, have "displayed an ability to viciously disinform" the public on the signing of the agreement. Lopez Guevara has accused the government of "selling the country for a bowl of lentils" by accepting the conditions imposed by the United States.

Within the framework of a donation agreement, the party that donates the money sets the conditions, said Linares. He stated that the agreement with AID "does not compromise" Panama's prestige. Therefore, he concluded that he does not understand why people have made such a "fuss" that the agreement adversely affects "Panamanian sovereignty and dignity."

Ford Comments on Economic Plan, Public Force

PA2308010590 Panama City Radio KW Continente in Spanish 1208 GMT 22 Aug 90

[Italicized passages are recorded]

[Text] Guillermo Ford, second vice president and planning minister, summarized the national development strategy and economic recovery plan at the Chamber of Commerce general meeting last night, held to commemorate its 75th anniversary.

Minister Ford said that historians will judge what happened on 20 December, and he acknowledged that the people actually voted for a change from a narco-tyranny and not for the candidates themselves.

Keynote speaker Ford described the decision made on 19 December 1989 as the last supper. He added that from H-hour, the invasion, they decided to fulfill the oaths they took at Fort Clayton, whereby they would take control of the government.

Upon discussing the budget's preparation, he mentioned the foreign debt, the delay in its payments, and the plan's conservative and nondemagogic course.

[Ford] *President Endara's government and the planning minister, who is responsible for this program, will not allow 14 people to be killed and 400 wounded in Panama's streets because of anyone's impositions. Either they [not further specified] gradually understand the difficult situation the country is facing, the suffering of 21 years, and especially the past 30 months of economic, social, and political strangulation, or we simply will not be eligible for credit.*

Panama cannot risk further disruptions of public order in exchange for a few dollars. Those who would have sold the fatherland for a few dollars, thank God, are no longer in power. Some are rotting in Miami and others are in A Avenue [reference to the Modelo jail].

Ford said he was shocked by what some legislators said upon leaving the recent Cabinet meeting in Cermeno, noting that the media are not responsible for the actions of those who are being interviewed. He called for an end to political maneuvering.

[Ford] *It is shameful that while cabinet members met in an atmosphere of great companionship, with extraordinary—indeed, extraordinary—participation of the honorable legislators, and we left the meeting bursting with enthusiasm because we felt we were getting close to a national agreement so that our country could have its own economic plan, that some of the participants began distorting the truth in an attempt to gain some political advantage.*

As a politician, I challenge them to tell the truth and face the Panamanian people. If what they want is to lessen support for the planning minister or to boycott the economic plan, they will find the planning minister standing firm, because there is leadership in our government and they will find in me a man who will guarantee respect for our country's democratic principles. We will share with all Panamanians the good, the bad, and the ugly.

According to some politicians, Panama faces an economic problem. However, before his distinguished audience in the Marriot Hotel's Grand Hall, Vice President Ford challenged Government Minister Ricardo Arias Calderon.

[Ford] *One of the most serious problems our country faces is the lack of public security. Just as the government minister challenged me to present my economic plan, I challenge him this evening to join our efforts to attain,*

once and for all, the security we need. There should be no more holdups! I cannot accept assaults with AK-47 rifles against innocent men and women. If we must go to the streets to eliminate them, we must do so, because this country cannot stand this situation any longer, and we must guarantee peace and tranquility.

How can we develop our country's economy when we have not achieved social stability? I issue a call to the members of the Public Force, who should assume their role as men, not faggots, once and for all! They must stand firm, like men!

Referring specifically to the economic plan, Minister Ford said that the main point is to purge government institutions, as people are becoming desperate. He added that there will be corrections, and stressed that the Legislative Assembly must be more effective once the aid packages are approved by the executive branch.

[Ford] *As the days go by, there is a package for $52 million we want to release, plus $108 million we will disburse to revitalize the economy through the banks. However, those funds are stuck because the honorable legislators now believe that Crazy Hat [Democratic Revolutionary Party Deputy Gerardo Gonzalez] should be given the opportunity to deliver a silly speech at the Legislative Assembly.*

In explaining the economic plan, Ford mentioned the agreements reached with the industrialists, farmers, and merchants.

[Ford] *What are the people in San Miguelito, Colon, San Blas, Torti, and the interior of the country desperately waiting for? First we approved a $9.4-million fund, which was used in the small projects you saw. This fund came from a savings in the budget. The second package made up of U.S. aid totals almost $54 million and is there to take care of hospitals, schools, roads in disrepair, and an infinite number of important projects. More than the money... [changes thought] First, we have permament projects. Second is the creation of jobs the people are clamoring for.*

But as little schemes are invented to cause delays, we will denounce who is to blame for the delays. Not in the executive branch. The executive branch approved this [words indistinct] package five weeks ago. Another package of U.S. aid totals $107.9 million. That aid will be reviewed completely by the Panama's banking system.

Reportage on National Institute's Student Riots

Dismissal of Schoolmates Rejected

PA2108231090 Panama City Radio Ancon in Spanish 1716 GMT 21 Aug 90

[Text] National Institute students closed 4th of July Avenue for two hours today to protest the expulsion of two students on orders from the Supreme Court, which issued a sentence favorable to the Institute's acting principal, Nidia de Ochy.

[Begin recording] [Reporter] What will you do under these circumstances?

[Ochy] The court has issued its decision and it must be carried out. The resolution against these students remains, because 2,800 students should not have to suffer because of five students.

[Reporter] (?What was the court's decision?)

[Ochy] It decided that the principal is the National Institute's top authority, and given the [words indistinct] situation, the principal's decision is upheld.

[Reporter] [Question indistinct]?

[Ochy] The five students will be expelled. [end recording]

Meanwhile, student Arturo Trelles, a member of the National Institute's Federated Association [Asociacion Federada del Instituto Nacional], said the following:

[Begin Trelles recording] I would first like to ask how this can happen to the National Institute's students, who over the past few years have been greatly affected. We came face to face with the military dictatorship. Where was Nidia de Ochy then? Where was she?

How is it that after 21 years, we, the student leaders, have been taken to court? Where are those who murdered and even massacred Panamanians? They are taking it easy in their homes, and we are having our freedom of expression and freedom to study restricted.

We will not clear this avenue until a Presidency official comes, because we are tired of so much dialogue and so many lies from the Education Ministry officials. They promised us the last time we spoke that if we withdrew from the assistant principal's office, they would reconsider our punishment. We believed them, and once again they deceived us. We will not withdraw from this avenue.

We are grateful to Professor Minerva de Batista and to all of the administrative personnel and faculty who are here this morning, but we will not withdraw from this avenue because you say that you are entitled to walk the streets. When the Civic Crusade took to the streets, no one said that people had a right to walk the streets or that it was wrong to close the streets. We also have a right to close the street. [end recording]

The students threw stones at Public Force policemen who fled from the site. Later, following conversations, the students withdrew from the streets.

Institute Students Begin Rioting

PA2208160090 Panama City Radio KW Continente in Spanish 1535 GMT 22 Aug 90

[Text] We are reporting from the National Institute where students are throwing stones and the Dobermen [riot control police] are firing buckshots at them. It has been impossible to gain access to the site of the incident because the Dobermen will not allow anyone there. However, we can see from the Social Security Fund building that there are many students throwing stones at the guards. This is all I have to report.

Streets Near Campus Blocked

PA2208160490 Panama City Radio KW Continente in Spanish 1545 GMT 22 Aug 90

[Text] We have a last minute report: university students have blocked streets adjacent to the campus, and thus, we are advising drivers to avoid streets close to the University of Panama. We repeat: streets adjacent to the University of Panama have been blocked by students, and people are urged not to circulate in that area.

Ministry Closes National Institute

PA2208162590 Panama City Circuito RPC Radio in Spanish 1608 GMT 22 Aug 90

[Communique issued by the Education Ministry in Panama City on 22 August—read by announcer]

[Text] In view of disturbances on 20 and 21 August that resulted in property damage and the disruption of vehicle circulation, the Education Ministry has deemed it pertinent to approve a request made by the rector of the National Institute and has decided to temporarily suspend classes at that school as a preventive measure—a measure that will become effective on Thursday, 23 August.

It is a policy of this ministry to keep schools open and for this reason, it will announce the resumption of school activities at the National Institute as soon as the security of the students and community property can be guaranteed.

20 Students Wounded in Clashes

PA2208174890 Panama City Radio Ancon in Spanish 1642 GMT 22 Aug 90

[Report by Carlos Anel Cordero]

[Text] We are reporting from the National Institute, where the clashes continue between the members of the antiriot squads of the Defense Forces [as heard] and the National Institute students.

Until now we have learned that there are about 20 students hit by pellets that the antiriot squads have been shooting since about 0900.

A few minutes ago, a delegation from the Abel Bravo School arrived from Colon. The students said that they have come peacefully to support the National Insitutue students. They regard as unfair the decision adopted by the Education Ministry to expel the students.

Here we have Profesor Marva de Gonzalez, National Institute Professor, who gives us details on the wounded students:

[Begin Gonzalez recording] There are about 20 students who have been wounded in the face, neck, forehead, and arms. They are wounded with pellets in all parts of the body.

There were about 15 professors inside the institute. We smelled the fumes from the tear gas bombs. We had to seek protection and water and anything else we could find so as not to be overcome by the fumes.

[Cordero] What is the professors' position?

[Gonzalez] I could not really speak on behalf of all the professors because I feel that we have been intimidated and persecuted. I clearly spoke out the first time against this situation. However, it seems to me that they wanted this to happen because if the President of the Republic, who rules the whole country, withdrew his suit against Professor Bernal, why can Professor Nydia de Ochi not withdraw her accusation against the students?

It seems to me that they could have been suspended for 15 days, but not expelled. They are not failing students, not drug addicts, or anything of this sort for this type of decision to be adopted against them. [end recording]

Students To Stage Hunger Strike

PA2208184090 Panama City Circuito RPC Radio in Spanish 1747 GMT 22 Aug 90

[Text] Students from the Melchor Lasso de la Vega Arts and Crafts School and the University of Panama blocked traffic in the vicinity of the University of Panama to support the National Institute students. However, the situation does not end here. We have our reporter Carlos (Bossman) on the telephone with information on a hunger strike decreed by National Institute students. Good afternoon, Carlos. Go ahead.

[(Bossman)] I am reporting from the presidency. Approximately 12 National Institute students are outside the presidency waiting to meet with the president. They are complaining over the incidents that took place on Martyrs Avenue and Central Avenue. The students have said that many of their National Institute schoolmates were wounded and had to be treated at the President Remon polyclinic on 17th Street. Approximately 20 to 21 students have been reported wounded, and the situation is serious.

The fact, however, is that the students are here and are preparing to initiate a hunger strike within a few minutes

if the president does not meet with them. Student Orlando Castillo said the following:

[Begin recording] [(Bossman)] Are you waiting on the president? What is the purpose of your presence here?

[Castillo] We are here because [words indistinct] to solve the issue of the students who were suspended a few weeks ago. We went to the Education Ministry, but the officials there refused to meet with us. The minister refused to meet with us, and the deputy minister was in a meeting. They practically slammed the doors in our faces.

Now we have come here and no one at the presidency has paid any attention to us. No one has told us anything, and no one has met with us. We were just informed that the students' peaceful demonstration was attacked. They were protesting over the suspensions, when the Public Force riot troops of the allegedly democratic government arrived and attacked them with unprecedented force. There are dozens of wounded students at the school, and they are not receiving any treatment. The school is tightly closed and if they come out they are attacked with buckshot.

[(Bossman)] What form of pressure will you exert?

[Castillo] At this moment we are preparing to hold a hunger strike in front of the presidency. [words indistinct] [end recording]

Institute Closed 'Indefinitely'

PA2308003690 Panama City Circuito RPC Television in Spanish 0054 GMT 23 Aug 90

[Text] The rector's office of the University of Panama announced a few minutes ago that both academic and administrative activities will resume on 23 August at the university campus, following the suspension of activities ordered this evening in view of the climate of unrest and the blocking of streets, which prevented the normal flow of traffic and access to the university.

Meanwhile, the Education Ministry announced tonight that the closure of the National Institute will be maintained indefinitely.

Minister on Access to Confiscated Documents

PA2108142890 Panama City Circuito RPC Television in Spanish 1730 GMT 16 Aug 90

[Text] Deputy Foreign Minister Jose Raul Mulino has said that Panamanian authorities are discussing the procedures to be followed in order to have access to the documents returned by the U.S. Government.

[Begin recording] [Mulino] Yesterday there was a working session between the Panamanian authorities—the Attorney General's Office, the Directorate for the Recovery of State Property, and the Foreign Ministry—and representatives from the U.S. Embassy and the Southern Command to begin talks to determine the steps to be followed to have access to the documents.

The U.S. Southern Command authorities have been very frank. They have stressed the mutual interest of Panama and the United States in making use of those documents to apply justice to cases pending in Panamanian courts and in the United States. I am very optimistic. I think that the talks have been held in a very cordial atmosphere, and that soon the competent Panamanian authorities will have access to all those documents, which definitely will be very useful in clarifying pending cases against Noriega and his collaborators.

[Reporter] When will the commission appointed by the president start studying the documents?

[Mulino] I do not know. The truth is that it will take very long because of the huge amount of documents that were confiscated and are obviously not thoroughly classified. They are classified, but not meticulously. [end recording]

Mulino said that the Foreign Ministry is trying to obtain the extradition of former government officials.

[Begin Mulino recording] We have filed extradition requests, specifically in the cases of Lopez Grimaldo and Lopez Tirone. Regarding the departure from the country of former government officials, such crass mistakes should never be made and should not be allowed. They have committed crimes in Panama; therefore, they must face Panamanian justice. If they manage to leave the country, it should be considered an unforgivable mistake, and the responsibility will fall on the government officials who are responsible for implementing justice in Panama, which the Panamanian people rightfully demand. [end recording]

Legislators Oppose Economic Strategies

PA2208035790 Panama City EL PANAMA AMERICA in Spanish 21 Aug 90 p 1

[Report by Juan Prisiolas]

[Text] Government and opposition legislators agreed yesterday not to back the Planning Ministry's economic strategy plan unless significant changes are made.

National Assembly President Dr. Carlos Arellano Lennox himself admitted that "many legislators do not fully agree with some aspects of the economic plan," although he clarified that this did not mean friction within the Executive Branch, but that in a democracy there is room for dissent.

Meanwhile, Democratic Revolutionary Party Legislator Gerardo Gonzalez said that the strategy presented by Minister Guillermo Ford "is the original version of the structural adjustment plan presented in 1979 by the World Bank and the IMF to President Aristides Royo."

Raul Ossa, coordinator for the Christian Democratic Party legislative majority clarified that at Saturday's meeting at Cermeno between the legislators and the president, the legislators "did not approve" this document. It was only discussed and some modifications

were suggested. Ossa was also of the opinion that "what is programmed for the agricultural and livestock sectors should be changed and labor plans put under the microscope."

Mario Rognoni, opposition legislator and former commerce minister, said that if Minister Ford's picture were shown on television—with the audio of Nicolas Ardito Barletta as he explained his economic program—Panamanians would realize both strategies are the same.

The Planning Ministry's plan "comes from international organizations, it is antinationalist, and all sectors will reject it in the long run. The plan sacrifices industry, agriculture, the country's development, and the banking system in exchange for paying the foreign debt," Rognoni added.

Legislator Eric Fidel Santamaria, who represents one of the productive ciruits of Chiriqui Province said that he "radically opposes" the market opening proposed in the original plan. "The market for importing agricultural and livestock products cannot be freed because for a long time we have had erratic government policies. Farmers need support so they can develop and become competive," he added.

Herman Gneagi, president of the Legislative Assembly's agriculture and livestock commission said that the Legislative Assembly would not decide on the modifications to the reforms until sector representatives are consulted.

Gneagi termed as positive that "at least" a promise had been made to maintain import quotas unchanged for three years. Afterward, high-import duties will be levied on foreign agricultural and livestock products, although he added that Panama could never compete with the United States and other industrialized countries if those countries do not stop subsidizing their own farmers.

Luis Narvaes, Nationalist Liberal Republican Movement legislator, has said that he shared the general opinion that the economic strategy plans needs to be corrected because the country "must treat carefully the agricultural and livestock sector;" otherwise, the activity could be ruined. The Cocle Province legislator believes that the document was "hastily prepared and badly edited."

Administrator Manfredo on Canal Treaties, Economy

PA2108224590 Panama City EL PANAMA AMERICA in Spanish 19 Aug 90 p 24-A

["Text" of speech by Canal Administrator Fernando Manfredo J. at the forum on "The Culmination of the Canal Treaties and Their Effects on National Economy," at the Atlapa Convention Center in Panama City on 21 July]

[Text] I. The Economic and Financial Impact of the Treaties on Panama's Economy.

1. The financial benefits of the Panama Canal Treaty.

During the 10 fiscal years that have passed, from 1 October 1979 to 30 September 1989, the National Treasury has received from the Panama Canal Commission a payment totalling $687.4 million for the rights granted to the United States in the canal area and for the resources that it contributes for the operation, maintenance, and protection of the canal established by the treaty. It is estimated that for the period ranging from 1 October 1989 to 31 December 1999 the Panamanian treasury will receive approximately $700 million. Added to what has been received thus far, the total financial impact on Panama's economy will be $1,387.4 billion, by virtue of the implementation of the Panama Canal Treaty. This figure does not include the $202.8 million that corresponds to the estimates of what the Panama Canal Commission will pay Panama for police protection, fire protection, garbage collection, maintenance of streets, and their lighting system provided by the Panamanian Government agencies in the Panama Canal Commission housing areas by virtue of the treaty. Of this estimated $202.8 million, and until 31 December 1989, Panama has received $102.8 million.

Other revenue obtained by the Panamanian Government are the increased income and education taxes resulting from the increased Panamanian labor force, according to the treaty, and the taxes that are paid by the private enterprise and contractors, who previously did not pay because they were within the U.S. jurisdiction inside the defunct Canal Zone. At this time I do not have the accumulated figures that correspond to this fiscal income.

2. The Increased National Patrimony

There is no doubt that the greatest impact on the Panamanian economy stemming from the Panama Canal 1977 Treaty is the increased national patrimony represented by the reverted properties.

On 1 October 1979, as a result of the Panama Canal Treaty, 89,192 hectares of a total of 147,000 hectares of territory of the former Canal Zone reverted to national patrimony. Of that amount, approximately 17,000 hectares are now located in urban areas and are available for urban use. There are a total of 7,875 hectares near Panama City and approxixately 9,185 hectares in Colon.

Furthermore, there are three large amounts of land subject to development restrictions that are reserved as conservation areas of the hydrographic basin. There are special areas under the treaty designated for scientific and tropical research. The restrictions in the case of the basin are that their economic use must be compatible with the more important use of that area to supply the water volume that the canal needs for its operation and to prevent erosion, which will limit the water storage capacity.

If there is wise management of these lands, as yet undeveloped, they can acquire an economic value several times more than that estimated in 1983. This will establish a patrimony that can be the principal basis of

an effort to overcome the current limitations faced by the country to achieve its economic and social development.

In addition to the areas that have reverted to Panama thus far, the following installations located along the east bank of the Pacific entrance of the Panama Canal will revert to Panama from now until the year 1999:

Ancon: Housing area, public buildings, hospital installations, scientific and tropical research units, educational buildings, as well as the greater part of Ancon Hill.

Balboa Heights. The Panama Canal Commission administration building, housing, and public areas.

Quarry Heights. The buildings that house the Southern Command offices and military installations.

Balboa-La Boca. Developed areas containing residential commercial, schooling, industrial facilities, and public areas.

Amador. The buildings that house the office of the U.S. Navy Command, the U.S. Army Brigades, and military installations.

Diablo Heights. Housing areas and school buildings.

Albrook-Curundu. The hangars where the U.S. Inter-American Air Force Academy functions, residential areas, and the administrative buildings of the Air Force of the U.S. Southern Command.

Corozal. The antenna field site, warehouses, and other military buildings.

Los Rios. Residential housing, administrative buildings, health centers, and military training areas.

Gamboa. The Canal Dredging Division, housing, recreational facilities, and school buildings.

From now until the year 1999, the following installations located along the west bank of the canal will revert to Panama:

Fort Kobbe, Howard, Rodman, and Cocoli. Former residential areas, airports, defense facilities, health centers, schools, and recreational facilities.

Empire Range. Rural area used for military training to test war materiels, many of which are buried or unexploded.

These areas, which from now until 31 December 1999 will revert to Panama, have not been commercially assessed yet, but knowledgeable people believe that they are valuable or at least comparable to other areas that have already reverted.

Thus far, unfortunately, little progress has been achieved in utilizing these reverted lands and existing properties to benefit the country's economy. Almost 11 years from the date that these lands reverted to Panama in 1983, only 12 percent of the available land for urban use has been used to that effect. After that year, very little or nothing has been accomplished.

A report by Robert Nathan and Associates in 1985 notes the existing deficiencies and the ad hoc state in which the planning of the reverted areas has been done.

The poor use of the reverted areas is not due to a lack of studies and proposals. Since 1967, when it was already known what areas the United States would be willing to revert, several studies have been prepared; I recall one by a professional group made up of architects Jorge Riba, Marcelo Narbona, and Edwin Fabrega; another one done in 1977 by a special group headed by then Planning Minister Dr. Nicolas Ardito Barletta; one by a group of professionals of the Panama Canal Port Authority, headed by architect Antonio de Leon; the proposal by architect John H. Sousa, a very distinguished and talented Panamanian who left Panama to work in the United States because he was disillusioned by the lack of interest in these projects, and one prepared by the PRD [Democratic Revolutionary Party] businessmen's group. What has been lacking is the political will and creation of the mechanisms to make appropriate use of the reverted areas. Regarding John H. Sousa, I used much of the information on the reverted areas from his graduate thesis in the United States.

Besides the land, housing, and infrastructure, the following commercial properties have been reverted and incorporated into the country's assets:

Cristobal Port. Located on an area of 225 hectares, with 15 wharfs, and 2,870 of linear meters of docking area. Puerto Cristobal's commercial value was estimated at $50 million in 1978. Coco Solo Port. Located on an area of approximately 30 hectares of land and water. The port has two docks and warehousing capacity for 1,700 containers.

Balboa Port. Located on an area of 320 hectares, it has 12 wharfs. The replacement cost was estimated at $100 million in 1979.

Balboa Dry Dock. Installations to supply maritime fuel to ships.

Panama Railroad. It consists of 76 kilometers of main lines between Panama and Colon and 119 kilometers of auxiliary lines. The cost of the reverted equipment and installations was estimated at $20 million in 1978.

In 1978, the Planning and Economic Policy Ministry issued a document containing the report of a special commission made up of Nicolas Ardito Barletta, Edwin Fabrega, Arnoldo Cano, Nilson Espino, Omar Jaen Suarez, Augusto Zambrano, Roberto Heurtematte, and I. After a serious study, we presented options on how to fully utilize the reverted lands and installations. Our goal was to have those options reviewed on a technical level so that the ones that had merit would become feasibility studies or specific projects that could be promoted and

implemented. Once again the lack of an institutional follow-up mechanism turned that attempt into an academic exercise.

I feel that that proposal and others mentioned earlier can be a valuable base for identifying and developing projects, once an institutional follow-up mechanism, which must be adequate and efficient, has been created. However, the failure to exploit the reverted properties has, until now, conspired against the country's economic and social development. Also, the improper use of some reverted areas or the bad management of others, which had a great potential to generate wealth, have turned them into fiscal burdens subsidized by all Panamanian taxpayers. In some instances, they were handed over to private businesses by influential politicians who kept all the profits for themselves, causing the enteprises to fail.

If we add up the estimated replacement cost of the Panama Canal, as a state asset that will be transferred to us, we can say that the economic impact of the treaties on the Panamanian economy totals approximately $22 billion. To be sure, those figures will mean very little to Panamanians if the goods are not adequately exploited.

3. Sources of money to the Panamanian economy, as a result of operations by U.S. agencies in the canal area.

Approximately $340 million from the Panama Canal Commission will go into the Panamanian economy this year. Approximately 40 percent of that income, over $153 million, will consist of salaries and fees paid to the agency's 7,300 Panamanian employees. Approximately 7,300 Panamanians are temporarily or permanently employed by the agency. Approximately $19 million will go directly to the Panamanian Government in the form of income tax, education, insurance, and the Social Security employees' account. The second major component, with over 20 percent of the total, consists of the payments related to the treaty, which amounts to $70 million. The treaty payments include $58 million that will result from the Panama Canal's request of a $0.32 payment per ton that passes through the canal, $10 million as annual payment, and another $10 million for services rendered to the Canal Commission by the Panamanian Government. The monies corresponding to payments that Panama agreed upon in the treaty and the employees' taxes were already included when I referenced the tax income generated by the treaty.

Other U.S. agencies are present in the isthmus, mainly because of the canal. These agencies also contribute large amounts of money to the Panamanian economy, with most of it stemming from U.S. military activities in the canal area. This year, the U.S. Army, Air Force, and Navy will add approximately $200 million to the Panamanian economy. More than 40 percent of this amount—approximately $86 million—represents wages paid to 5,806 Panamanians who work for them.

Panama's estimated gross income from U.S. agencies operating in the canal area has been set at approximately $540 million for the current year. This flow of income is further enhanced if we consider its multiplying effect. Even if we multiply conservatively, say by two, the flow of income from the canal area represents more than $1 billion to Panama's GNP.

Over the next nine and a half years, the flow of income to the Panamanian economy generated by the Panama Canal Commission will increase as Panamanians gradually replace the 958 Americans who are currently employed. In 1958, 58 percent of the commission's total payroll was Panamanian; in 1990 this figure stands at 74 percent. In 1989 the American employees earned $65 million in salaries. Extrapolating this 1989 figure to 1999 with the appropriate salary adjustments, it will increase to $900 million. This is the sum the Panamanian employees would receive if the 958 American employees were to leave now, which will not happen and would not be advantageous to the canal. I have mentioned it as an example to show that these salaries, with their corresponding basic increases added, consitute a potential source of income for Panama's economy over the next 10 years.

The Armed Forces' case is different from the case regarding the amount of money it will generate for the Panamanian economy over the next 10 years. The $200 million contributed by the Army to the Panamanian economy in 1989 will gradually decrease as the military forces withdraw and as the installations prepare for the closing in December 1999, when the United States will end its military presence in Panama, as established in the treaty.

II. The Treaties' Impact on the Panamanian Work Force

1. The Initial Impact

The Panama Canal Treaty altered the Panama Canal Company-Canal Zone Government labor force in many ways, some of them dramatic.

The treaty's potentially adverse impact on the permanent labor force was diminished through careful planning during the pre-execution period, and due to the fact that a significant number of employees retired once a package favorable to optional and early retirement was approved by congress.

One change, a reduced wage scale more in tune with Panama's market, was agreed upon by a so-called Board of Political Coordination for Civilian Personnel in the Canal Zone, before the treaty went into effect. The change was to take effect on 1 October 1979, and it has cost the Panamanian employees and economy hundreds of millions of dollars. The wage scale was also applied to all U.S. agency employees in the Canal Zone recruited after the treaty went into effect.

2. The Impact During the Treaty's Enforcement

There is no doubt that the treaty's impact on the commission's labor force during the almost 11 years since the treaty has been in effect has been highly favorable to the Panamanians.

The clause in the treaty that calls for Panamanians to be given preferential treatment in hiring caused the Panamanian labor force to increase from 69.2 percent in October 1979 to 86 percent in May 1990. Meanwhile, the American labor force decreased from 26.4 percent to 13 percent, and third-country nationals dropped from 4.4 percent to one percent.

3. The Treaty's Impact on the Labor Force By Its Expiration On 31 December 1999.

The same anxieties experienced by the canal employees during the treaty negotiations are still present and will increase as we approach the treaty's expiration date. Now, as opposed to 1979, the Armed Forces' employees are experiencing perhaps even more anxiety than the canal commission employees.

There is no doubt that the potential impact is much more serious this time because in 1979 the activities that the Panama Canal Company-Canal Zone government failed to carry out were performed by other U.S. Canal Zone agencies or Panama Government agencies. In both cases the transferred employees would keep their job either because the treaties so stipulated or because the Panamanian Government had so agreed.

This time the activities that the U.S. Armed Forces perform in Panama and which ended on 31 December 1979 have not been assumed by any other agency in Panama. The Panamanian Government has not yet said what the terms and working conditions of the employees in the Panama Canal payroll will be at noon on 31 December 1999.

The U.S. Armed Forces will probably contract out for specific activities gradually as the demand for services due to the reduction of personnel decreases. Nothing will guarantee that the contractors will hire the unemployed workers or that their terms and working conditions will be honored.

Although, as we have said, the impact will be greater, and measures can be taken to offset the negative impact to employees through adequate, efficient, and responsible planning.

Measures such as hiring freezes in the canal commission and Panama Government agencies could result in vacancies that could be filled by qualified employees who have lost their jobs in the Armed Forces. In 1979 this measure proved effective in rehiring the 462 employees who lost their jobs.

A special U.S. immigration law could help Panamanian employees who are dismissed by U.S. Government agencies in the United States.

In addition, agreements with the Panamanian private enterprise to give priority to the displaced employees could be explored during the planning process.

The U.S. Department of Defense is drafting a plan for a gradual, orderly pullout of U.S. military forces from Panama. The plan is called TIP, Preliminary Treaty Implementation Plan, and is will be implemented by U.S. Southern Command and the office of the Secretary of Defense. The Army Under Secretary for Civilian Works is responsible for the plan.

I must admit that many of the plans drafted by the Southern Command and the Secretary of Defense cannot be made public for security reasons and that because we are dealing with defense, there cannot be a single plan, but instead, many plans to cover the various aspects of the canal's protection. However, perhaps an agreement can be made with the U.S. Government so that the trade unions representing the employees of the Armed Forces and the Panamanian Government's Planning Ministry can participate in the work regarding the plan's labor aspects.

Although the commission workers, unlike those who work for the Armed Forces, are not in danger of losing their jobs because the activities in the canal do not cease, these workers are seriously concerned about the change of employer when Panama takes over the administration of the canal.

The canal commission employees have eagerly been waiting for the Panamanian Government to announce in advance what it intends to do on this matter so they can decide if they want to stay or seek another job with greater stability.

George Mercier, a Panamanian citizen and director of the canal commission's personnel office, in a speech at the South Panama Rotary Club on 26 September 1989 expressed very clearly what the canal commission employees are concerned about as Panama prepares to take over as an employer. This is a quote from George Mercier.

"The Panamanian administration of the year 2000 should make a commitment to keep the merit system for personnel hiring, placements, and promotions, a system like the one we have now, which is based exclusively on the aspirants' qualifications and forbids hiring and promoting based on anything but merit—for instance, political affiliation, friendship, family relations, or simple influence [would not be valid reasons]. In addition, our system forbids job discrimination based on race, skin color, religion, sex, or physical disability. Closely linked to the merit system is the assurance of job stability and knowing that as long as one is doing the work satisfactorily, one can rely on a job."

Hijacked Plane Found in Colombia

PA2208203690 Hamburg DPA in Spanish 1841 GMT 22 Aug 90

[Text] Bogota, 22 Aug (DPA)—It has been reported in Bogota that the small plane that was hijacked this past Thursday in Panama has been found near the Colombian town of Ayapel. No traces of the occupants of the plane have been found.

The plane, with Registry No. HP-950 was found by policemen on routine duties around Ayapel, in the Caribbean department of Cordoba, 410 km northwest of Bogota.

According to initial reports, the plane, which belongs to former presidential candidate Carlos Duque, was found abandoned and seriously damaged.

Radio reports indicate that the alleged hijackers, two U.S. citizens, two Colombians, and one Panamanian left the place and are being sought by the authorities.

At the beginning of June, a small plane belonging to Aeroperlas, a Panamanian airline, was also hijacked in Panama and forced to fly to Colombia.

Argentina

Cavallo Views Use of Force in Persian Gulf

PY2208173390 Buenos Aires DYN in Spanish 1406 GMT 22 Aug 90

[Text] Buenos Aires, 22 Aug (DYN)—Foreign Minister Domingo Cavallo has said that Argentina agrees with "virtually all the other nations of the world" that Iraq should withdraw completely from Kuwait. He noted that Argentina will support the use of a military force to restore peace in the region "if the UN Security Council decides to do this."

Cavallo stated that the economic sanctions established by the UN Security Council against Iraq are being implemented. As for sending a peace force to the Persian Gulf area, Cavallo reasserted that this will be done whenever the United Nations decides.

Speaking to Radio Continental, Foreign Minister Cavallo described the situation in the Middle East as "very dangerous" and warned that "efforts should continue to be made to avoid a conflagration and to find a peaceful solution to the issue."

Regarding the status of Argentine citizens who were taken by surprise by the war while in Iraq and Kuwait, Cavallo said: "All of them have a chance to get to Jordan." He added: "Argentine Foreign Ministry officials are already granting them logistic support in Amman, Baghdad, and Riyadh."

Cavallo stated that Nestor Rivarola, minister counselor at the Argentine Embassy in Saudi Arabia, will go from Baghdad to Kuwait to contact Argentines who have not yet decided to leave the conflict area and to offer them assistance in leaving the area. Cavallo added that "we are doing everything possible to safeguard the lives of our compatriots in the conflict area."

Cavallo denied that the U.S. has pressured Argentina to participate with ships or armed forces in the blockade of Iraq. He added that "moreover, no Latin American country has sent troops, and all of them uphold the same position" that "we will do so if the UN Security Council decides to establish a multinational force."

Cavallo said that today's situation is different from that which occurred during World War II, when Argentina maintained its neutrality until late in the conflict. Now, he said, "we have taken sides, condemned Iraq, and implemented the economic sanctions imposed by the UN Security Council; Argentina is not dodging the issue."

The foreign minister stated that "Argentina is acting prudently, as the situation demands, and is upholding its commitments in line with the international agreements it has signed. But we do not want to exaggerate, either."

He reasserted that Argentina has not sent forces to the conflict area "because the mechanisms that would grant a legal framework for such an intervention, such as a UN Security Council resolution, have not yet been set in motion."

Aerospace Technology Shipments to Iraq Eliminated

PY2208174090 Buenos Aires Domestic Service in Spanish 1600 GMT 22 Aug 90

[Excerpt] Foreign Minister Domingo Cavallo has said that Argentina is not dodging the issue of the Persian Gulf conflict. He also noted that Argentina has eliminated all possible shipments of aerospace technology to Iraq that may turn out to be dangerous [as heard] and is upholding the economic sanctions imposed by the United Nations.

As for those who want Argentina to be the only Latin American country to send troops to the Persian Gulf, Cavallo said that Argentina is not a member of NATO, which is mobilizing its troops. [passage omitted]

Iraqi Ambassador Evaluates Persian Gulf Conflict

PY2208224090 Buenos Aires Argentina Televisora Color Network in Spanish 2200 GMT 22 Aug 90

[Text] We have the comments of Iraqi Ambassador Taha Yassin al-Basri in an interview with (Jorge Riu).

[Begin recording] [(Riu)] What is your evaluation of the conflict?

[al-Basri in Arabic with simultaneous translation into Spanish] As you know the situation is very serious as a result of the military blockade carried out by the U.S. Government and its allies. But we are confident and we have hope. We are going to put all our enthusiasm and effort into deflating the situation in order to reach a peaceful agreement through talks and negotiations.

The President Saddam Husayn believes that everything can be resolved through negotiations under the sole condition that all the problems of the zone be discussed, even the presence of U.S. forces in Arab land is still open.

We value the Argentine position advocated by President Carlos Menem and Foreign Minister Domingo Cavallo that Argentina will only get involved in the conflict under a UN request. This is a position we value because it helps the peace we are seeking. [end recording]

Danger of Using Chemical Weapons Being Studied

PY2208162190 Buenos Aires DYN in Spanish 1150 GMT 22 Aug 90

[Text] Buenos Aires, 22 Aug (DYN)—In view of the possibility that chemical weapons could be used during the Persian Gulf conflict, Deputy Foreign Minister Carlos Ortiz de Rozas has formed a commission to study the dangers posed by the use of chemical weapons.

In a press communique, the Foreign Ministry reported that this commission, which is made up of Defense Ministry officials, Customs officials, and Foreign Ministry officials, will describe its position before the Geneva Disarmament Conference.

The commission for studying a draft convention on chemical weapons will review the ban on the development, production, storage, use, and destruction of chemical weapons.

In this regard, the deputy foreign minister said: "The possibility that these type of weapons could be used during the Persian Gulf conflict has once again demonstrated the need for the international community to commit all its efforts toward banning them."

Ortiz de Rozas added: "The initiative to create this commission has been inspired by the importance that the national government attaches to the removal of mass destruction weapons and, particularly, chemical weapons."

It is appropriate to add that the commission will keep close contact with the national chemical industry.

Antiaircraft Shell, Detonator Found in City Lot

PY2208162090 Buenos Aires DYN in Spanish 1410 GMT 22 Aug 90

[Text] La Plata, 22 Aug (DYN)—Police sources have reported that an antiaircraft shell with an intact detonator has been found in a vacant lot in the city of General Rodriguez. The explosive, 25 cm long and weighing 10 kg, with a detonator installed but not activated, was found—by a neighbor—in a vacant lot on Don Enrique Street, 150 meters from National Highway No. 7.

Bolivia

Paz Zamora, Minister Downplay U.S. Report

PY2208182290 La Paz La Red Panamericana in Spanish 1130 GMT 22 Aug 90

[Excerpt] President Jaime Paz Zamora has downplayed the document drafted by a U.S. congressional committee and asserted that the data contained in it is obsolete and outdated. In a news conference at Government Palace, Minister of the Presidency Gustavo Fernandez has asserted that the document is based on superseded facts. He said:

[Begin Fernandez recording, in progress] ...regarding this document, DEA agents in the United States have pointed out that the conclusions are based on obsolete data, on facts that have already been superseded by reality. They also pointed out that, on the contrary, the real situation is that the flow of cocaine from Latin America to the U.S. market has been reduced considerably. As you may know, this has resulted in an increase in the price of cocaine on the U.S. market. [end recording]

The minister also said that the document contains unfair criticism of the Armed Forces:

[Begin Fernandez recording] The document stated that 1,047 laboratories for processing cocaine paste had been destroyed, as well as 2,090 pits and 14 crystallization laboratories. It also mentioned that 11.4 tons of cocaine hydrochloride had been seized and that coca growers had voluntarily stopped planting the leaf over 6,158 hectares. This is the concrete and objective result of Bolivia's action in this field. [end recording] [passage omitted]

U.S. Report 'Does Not Stain' National Dignity

PY2208190790 La Paz La Red Panamericana in Spanish 1130 GMT 22 Aug 90

[Text] Interior Minister Guillermo Capobianco has asserted that the U.S. congressional report on possible corruption involving members of the Bolivian Armed Forces does not stain the dignity of the Bolivian people. Minister Capobianco has rejected the charges and added that they refer to data obtained last year.

Energy Minister Views Aspects of Gulf Conflict

PY2208190090 La Paz La Red Panamericana in Spanish 1130 GMT 22 Aug 90

[Excerpt] Energy Minister Angel Zannier Claros has said that the Persian Gulf conflict has both negative and positive implications for Bolivia's economy.

On the positive side, he mentioned the fact that the price of Bolivian natural gas being sold to Argentina has risen, which will result in a profit of approximately $5 million by the end of the year. As for the negative aspcets, he mentioned the increase in the price of the oil that the Bolivian Government Oil Deposits [YPFB] is forced to purchase from contractors to meet domestic demand, as the YPFB cannot produce fuel enough to meet Bolivian demand.

The YPFB has to buy 3,000 barrels of oil daily from contractors at prices established by the Arab-Nigerian oil-producing community. Although this price is lower than the established international price for exported oil, the sharp increase in the price of oil on the international market, as a result of the Persian Gulf conflict, affects the hydrocarbons produced in the country by the YPFB and private foreign oil companies. Minister Zannier told Radio Panamericana, however, that the benefits for the country will outweigh the additional $3 million that the YPFB will have to pay out to contractors. The minister also ruled out the possibility of increasing the price of hydrocarbons in the country. [passage omitted]

Camiri Oil Workers Conflict Settled

PY2208160490 La Paz EL DIARIO in Spanish 13 Aug 90 p 1

[Text] The Camiri oil workers conflict was settled yesterday with the signing of an agreement among the Trade

Union Federation of Bolivian Oil Workers [FSTPB], the Santa Cruz Civic Committee, and the labor, interior, and energy ministers. The strike ordered by the Camiri Oil Workers Union and the civic committee of that city has therefore been lifted.

Following tough negotiations among Labor Minister Oscar Zamora Medinacelli, Energy Minister Angel Zannier, FSTPB leaders, and representatives of the Santa Cruz Civic Committee, it was agreed that improved recovery contracts must be signed after the implementation of a technical-financial regulation that will preserve the productive oil fields and strengthen YPFB [Bolivian Government Oil Deposits] through budget appropriations.

Following is the text of the agreement: "It is established by the present agreement, signed among the FSTPB, the energy and hydrocarbons minister, the labor and labor development minister, and the Camiri civic committee, that the signatories agree on the following points:

1. The parties agree that improved recovery contracts that include risk capital as well as new technologies must be implemented after the approval of a regulation that will determine technical-financial parameters, thus preserving the productive oil fields, whose profitability must be carefully reviewed.

2. Based on the national hydrocarbons policy, the energy and hydrocarbons minister will draw up and present updated regulations that determine the oil fields where the improved recovery projects will be implemented, taking into account the suggestions and recommendations of the sectors involved in the present agreement.

3. As president of the State Executive Board [Junta Directiva Estatal], the energy and hydrocarbons minister can decide not to approve any improved recovery contract as long as the regulations mentioned under point 2 are not approved.

4. The energy and hydrocarbons minister and the labor and labor development ministers will cancel the dismissals of workers involved in this conflict as soon as it is settled.

5. The government commits itself to strengthening YPFB through a budget appropriation that will permit the state-owned petroleum enterprise to reactivate YPFB's production operations.

6. Upon signing this agreement, the FSTPB will suspend the strike status and the state of emergency ordered because of this conflict.

7. Upon signing the present agreement, the president of the Camiri civic committee agrees to suspend the indefinite general strike and the hunger strike. [quotation marks as published]

Brazil

Activities, Ties of Alleged DEA Agent Reported

PY2308021890 Rio de Janeiro O GLOBO in Portuguese 19 Aug 90 p 20

[Report by Victor Combothanassis]

[Text] An international drug trafficking gang made up of 15 men and women is controlling most drug businesses in Rio de Janeiro. The gang runs its operation from a lawyers office on the eighth floor of a building located in Cinelandia [a disrict of Rio de Janeiro]. The gang, which has even infiltrated the police force, is headed by a Brazilian citizen from Santa Catarina who has an American name and appearance, and a foreign accent. This 36 year old is known as Paul Lir Alexander and is very respected by the antidrug policemen. His calling card assures him easy access and prestige because he claims to act in the name of the DEA, the U.S. Government antidrug organization. According to the Federal Police, which has been investigating the activities of the gang, Lir Alexander is a double agent or a "goose" in the police jargon. His position as double agent has created a great conflict among the policemen.

It has been learned that the organization headed by Lir Alexander has carried out its activities in Rio de Janeiro since early last year. In January 1990 the gang opened its office in downtown Rio de Janeiro. Last week, Lir Alexander and his wife left for Miami as soon as they were alerted by police informers that a Federal Police special group from Brasilia was going to arrest them.

The procedure is simple: Lir Alexander receives a fund from the U.S. agents investigating the drug cartels and uses those dollars to bribe criminals and policemen. He needs more contacts within the police force because the DEA is not allowed to operate in Brazil, where the drug trafficking involves $10 billion (840 billion cruzeiros in the parallel exchange market) per year. This is the point where this illegal situation turned into a criminal action.

An important police source linked to the struggle against organized crime told O GLOBO that the Federal Police suspect that Lir Alexander is involved in an operation that was discovered in April 1989. Lir Alexander conducted an investigation that led the DEA from Miami to discover one ton of cocaine that arrived in that city aboard a Varig [Brazilian Airlines] plane. There are strong clues, according to the same source, that Lir Alexander participated in the drug shipment. In sum: Lir Alexander organized the shipment, and immediately reported it. He thus scored a point with the DEA from Miami and justified the dollars he received from the U.S. agents, which helped him to reinforce his role as double agent. The idea, the source added, was not to "tarnish" relations with the DEA from Miami but to "open" more contacts with the Brazilian Federal Police.

It is not yet known to what extent this clandestine organization has managed to infiltrate the Rio de Janeiro

Police. Last week, however, Civil Police secretary Heraldo Gomes received a secret report signed by Police Commissioner Aledio Americo dos Santos, who was recently installed as chief of the antidrug police squad in Rio de Janeiro's southern zone. In the document, dos Santos reported that Paul Lir Alexander had contacted him. The secret report says that dos Santos was taken to Alexander's office by dos Santos' predecessor Juarez Lisboa, a police commissioner who possibly is linked with the Alexander group. The report says that during the meeting, Paul Lir Alexander clearly outlined his "modus operandi:" He proposed the exchange of accurate information on the day, hour, and place of arrival of drug shipments in return for 50 percent of the confiscated drug. The commissioner would be free to do whatever he wanted with the remaining 50 percent—which would remain in the hands of the police—either fabricate a drug seizure to increase his prestige or sell it on the black market.

The first reaction of the Civil Police secretary was to call his subordinate. During a short, private meeting at his office in the secretariat, dos Santos was told that the situation would be followed up by trusted men of the secretary. Dos Santos told Heraldo Gomes about the risks of such an investigation, but the former received guarantees and was ordered to continue with the case.

While a few men linked with Gomes and dos Santos began to track the links between the other police commissioners and the Lir Alexander group, the Federal Police, alerted by informers of the Rio de Janeiro Police, sent two special agents to Rio de Janeiro. Their objective was to investigate Lir Alexander's links.

Mendes Construction Workers 'Cannot Leave' Iraq

PY2208134690 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 22 Aug 90

[Text] The employees of Brazil's Mendes Junior Construction Company who are still in Iraq cannot leave the country. Reporter Antonio Carlos Silva has more on this topic:

[Begin Silva recording] Iraqi Ambassador to Brazil Qays Tawfiq al-Mukhtar has reported this news at the Brazilian Congress. He conveyed this information to Deputy Euclides Escalco, PSDB [Brazilian Social Democratic Party] leader in Congress. The Iraqi ambassador denied that the 350 Brazilians who work for the Mendes Junior Company are hostages; he did confirm, however, that they cannot leave Iraqi territory. Qays Tawfiq discarded the possibility of food rationing in Iraq as a result of the economic embargo. He asserted, nevertheless, that if rationing is necessary, foreigners—including Brazilians—will also be affected. The ambassador also said that the oil crisis is not being caused by his country but by OPEC, which controls production quotas and the price of a barrel of oil. He also held the United States responsible for preventing the oil from being shipped from the Persian Gulf. Ambassador Qays Tawfiq criticized the United States once again, calling the Americans the world's sheriffs. He pointed out that they are never criticized for invading other countries. [end recording]

Construction Workers Leave Iraq, Arrive in Amman

PY2308012690 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 22 Aug 90

[Text] A group of Brazilians has arrived in Amman, capital of Jordan. They are Mendes Junior Construction Company workers who were in Iraq. Rede Globo special correspondent Padro Bial talked with them.

[Begin recording] [Bial] It was written on a sticker: The fatherland's memory brings us. The first group of the Mendes Junior Construction Company workers from Iraq arrived in Jordan last night. The group is made up of 24 workers for whom Iraq offered a better life from which they are now separated by the threat of war.

While some reassure the families....

[Worker] Everybody is safe, away from the conflict.

[Bial].... a woman sighed in relief

[Woman] Thank God, I came out of hell.

[Second woman] Yes, the other Brazilians are very anxious, they are frightened because the group is large and confined. The situation is very difficult for them.

[Bial] This afternoon, in the comfort of a hotel in Amman, the workers tried to relax and to understand what is happening.

[Worker] I must say that we were the last to know what was happening. In fact, all foreigners in Iraq are learning through phone calls what is happening around the world and they are all concerned.

[Bial] The Mendes Junior Company official responsible for the withdrawal of company workers, Murilo Campos, is optimistic about the issuance of visas for the rest of the personnel in Iraq.

[Campos] The visas were requested and they are being processed now.

[Bial] A group of 44 Brazilians are still in the construction camp of the Mendes Junior Company in the outskirts of Baghdad. The prediction is that 24 more workers will arrive in the next three days. Securing exit visas is not easy. Until now, the Iraqi Government has only allowed the exit of Brazilians whose job contracts have expired. A Brazilian lady told us today that the Iraqis consider the presence of Brazilians as protection. [end recording]

Factory for Joint Venture To Open in USSR

PY2208170490 Rio de Janeiro O GLOBO in Portuguese 21 Aug 90 p 24

[Report by Milton F. da Rocha, Jr.]

[Text] Sao Paulo—The first joint venture [preceding two words in English] between the USSR and a private Brazilian company, Citrosuco/Cutrale, has resulted in the opening of

an apple juice factory in the city of Lipinski. After an investment of $25 million (2 billion cruzeiros), the factory, which is operating on an experimental basis, will mainly export its product to the United States, while the Cutrale company will export orange juice to the USSR.

The Cutrale company and a Soviet state company, Progress, closed this business deal two years ago.

Since the USSR grows a lot of apples and the Cutrale company is the largest producer of concentrated orange juice, the USSR was interested in importing Brazilian-made orange juice.

To do this it needed to generate resources. The plan established to achieve this objective was as follows: The Cutrale company would become associated with a Soviet company, export what was produced in Lipinski, and import the Brazilian-made juice.

The new factory will be officially inaugurated on 27 September. Orange juice producers believe that the association between Cutrale and the Soviet Government, the first joint venture between a Brazilian company and the Soviet Government, is an example of what can be done in that sector and of the possible benefits for the interested parties.

One of the participants in the Moscow meetings that resulted in this agreement said that the negotiations to establish the joint venture took months due to various delays. He added that the Soviets look into every detail in these kind of negotiations.

Citrosuco/Cutrale is making efforts to arrange the participation of Brazilian officials in the inauguration of the new factory in the USSR.

August Treasury Surplus of 13 Billion Cruzeiros

PY2308031890 Brasilia Domestic Service in Portuguese 2200 GMT 22 Aug 90

[Text] The National Treasury will register another surplus this month. This information was conveyed today to Economy Minister Zelia Cardoso de Mello during a visit to the Treasuty Department.

According to Treasury Department Director Roberto Figueiredo who accompanied the minister, the visit had two basic objetives: One was for sentimental reasons since Zelia Cardoso de Mello worked in the Treasury Department in 1986-87; the other was to learn how the Treasury accountings she receives every day are calculated.

During her visit, Minister Zelia Cardoso de Mello also learned that the Treasury will register another surplus this month of August, a surplus around 13 billion cruzeiros.

Chile

Pinochet Discusses Role of Army in Democracy

PY2308234890 Santiago EL MERCURIO in Spanish 19 Aug 90 pp D1, D2

[Interview with General Augusto Pinochet, Army commander in chief, by Blanca Arthur at the Defense Ministry at the start of the ceremonies commemorating Army Month in Santiago; date not given]

[Text] [Arthur] What did you feel on 11 March [the date of President Aylwin's inauguration]?

[Pinochet] What did I feel? I felt the great satisfaction of having fulfilled my duty to the fatherland. Some thought I would never hand the presidential sash to anyone, but I did...they were wrong again, and they will continue to be wrong.

[Arthur] Didn't you feel saddened, having to hand over power?

[Pinochet] No, because I had fulfilled my duty....

[Arthur] And deep inside what did you feel when you took the presidential sash off?

[Pinochet] I was calm because a period was ending, leading a country is a very serious business. One has to study everything every day, assess the situation, and make decisions.

[Arthur] What historic significance would you grant to 11 March 1990?

[Pinochet] 11 March 1990 is a historic date. A Declaration of Principles was issued in 1974. The Constitution was implemented in 1981 and in 1990 the Armed Forces kept their promise and restored democracy. It is an important day for Chile and for the members of the Chilean Armed Forces. We fulfilled the duty to which we committed ourselves on 11 September 1973 [the date of the coup d'etat that overthrew Salvador Allende].

[Arthur] What do you think about the proposal to eliminate the public holiday on 11 September?

[Pinochet] This is a matter to be dealt with by those who made the proposal.

[Arthur] How do you view it?

[Pinochet] There is no need to make any interpretations when things are clear. For us and for many Chileans, it is and will continue to be, a historic date.

[Arthur] And you want to celebrate it by establishing Army Month?

[Pinochet] Throughout this month we will honor all the Chilean Army glories and traditions. This has a very special meaning because Army Month starts on the anniversary of Bernardo O'Higgins birth and it closes on Army Glories Day, which as you know, is celebrated to

commemorate the Army's decisive participation in the struggle for Chilean independence. But it is also true that in between these dates, the Army had an outstanding participation in other important events which deserve to be solemnly commemorated, such as 11 September.

[Arthur] But there are conflictive celebrations and in fact a funeral for Allende is being organized. What are your views on this?

[Pinochet] People are exploiting the issue for political purposes. That is all. But the Armed Forces will not take part in this funeral.

[Arthur] You will not pay him honors?

[Pinochet] No.

[Arthur] Five months have elapsed since you handed over power. How would you describe the Army ties with the new government?

[Pinochet] Army ties with the government are, as always, in line with what is laid down in the Constitution and the laws.

[Arthur] How would you describe it in a less enigmatic manner? How is your personal relationship with President Aylwin?

[Pinochet] Very different from what many people would wish or imagine. I think President Aylwin wants to serve Chile, and the essential objective of my life is also to serve Chile.

[Arthur] Are you surprised at your relationship with him?

[Pinochet] No. I always thought it would be this way.

[Arthur] One of the main problems before the transfer of power was that of your dependency on the president. You said that you would directly deal with President Aylwin. Don't you approach him through Defense Minister Rojas?

[Pinochet] Minister Rojas is President Aylwin's secretary of state.

[Arthur] Have you acknowledged your dependency on the defense minister?

[Pinochet] Read the Constitution. It is stated there.

[Arthur] Do you periodically meet with Minister Rojas?

[Pinochet] I meet him whenever it is necessary. We set a date, and we meet.

[Arthur] But, has the problem of who gives orders to whom been resolved?

[Pinochet] There has been no deal about who commands whom. The Constitution and the laws establish the functions, attributions, and duties of each government authority.

[Arthur] According to the Constitution, isn't the president the commander in chief of the Armed Forces?

[Pinochet] Look, the president is the chief of state, and the concept of commander in chief of the Armed Forces comes from the Constitution which states that the president is commander in chief of the Armed Forces in time of war, and since we are not at war, he is not commander in chief.

[Arthur] General, could you say that the Army has adapted itself to democracy?

[Pinochet] It is a mistake to think that the Army has had to adapt to democracy because as a military institution, it governs itself with parameters different to those of politics. And do not forget that the recovery of democracy, despite what may be said, is the result of the Armed Forces government. I know that some sectors do not want to recognize this to our credit, but facts cannot be denied. The Army feels perfectly well living in a democracy that it greatly contributed to bring to life.

[Arthur] One of your first activities, which created great surprise, was your visit to Congress last April. What made you decide to pay that visit?

[Pinochet] Why so much surprise. I went to Congress because I was invited by the legislative branch, therefore it seemed to me natural and logical to accept the invitation. I also took that opportunity to invite congressmen to get to know the Army better. As you know many congressmen attended a lecture about our organization and operation in the War Academy, and to a combat instruction exercise in Peldehue.

[Arthur] Why did you invite them to a war game?

[Pinochet] The war games, as you call them, are professional combat exercises to demonstrate how we prepare to defend the country. This is something to which all Chileans should be committed, especially congressmen who are members of a government branch which has important roles on defense matters. This is why I thought it was a appropriate procedure to get congressmen familiar with the exercises. Additionally, it was good because it will help increase their knowledge of our institution.

[Arthur] What do you think of the socialists refusal to accept the invitation and their reasons?

[Pinochet] Are you asking me about their reasons? I believe their reasons were unreasonable. There is a great difference between the two.

[Arthur] Tell me, how do you view Gabriel Valdes now?

[Pinochet] Do you want me to talk about politics? It is not the mission of the Army chief to talk about people who have political responsibilities.

[Arthur] Many people say that he is the government politician with whom you are in good terms. Is that true?

[Pinochet] It is not a problem of getting along well. It is a question of a gentleman-like attitude of mutual respect and understanding which exists between us. We maintain good relations with regard to our responsibilities.

[Arthur] One of the moments of greatest tension with the government occurred when the Truth and Reconciliation Commission was created. Do the apprehensions expressed by the Army on that occasion still prevail?

[Pinochet] The apprehensions are still the same.

[Arthur] Despite the fact that it has been recognized that the commission acted with moderation?

[Pinochet] It is the same as when banks do their balance. They say nothing while they are doing it, but when it is over they begin to cash their checks and to call in notes.

[Arthur] What is your basic fear of the commission?

[Pinochet] I have no fears. I am concerned when it affects my institution, my people.

[Arthur] Do you admit that there are people in the Army who may be responsible for the crimes under investigation?

[Pinochet] The commission does not have the power to investigate. Only the courts can do that. Did you know that the Army already set its position on that issue?

[Arthur] The Army declaration was quite conflictive because the government believed that the Army was acting like a deliberating body. What is your opinion on this case? Why was the Army position made public?

[Pinochet] One should be very careful referring to the concept of a deliberating body. I believe that in many cases damage is done by the light treatment of something so delicate and which has never been clarified.

[Arthur] You promised that the Army would cooperate with the commission during the meeting you held with President Aylwin on the subject. Have you done so?

[Pinochet] Of course I have. As I told you, we sent a report.

[Arthur] If the testimony of a member of the Army is required, will you allow it?

[Pinochet] We will act within the framework of the Constitution and the law.

[Arthur] What is the exact scope of being within the framework of the Constitution and the law?

[Pinochet] That which has been demonstrated by facts: The serious and honest way in which we made our official report, and especially its contents.

[Arthur] What I mean is whether, in order not to hand in any more records of cases investigated by the commission, you will allege that they have been pardoned by the amnesty?

[Pinochet] I repeat, we will act within the framework of the Constitution and the law. And you know my thoughts regarding the subject!

[Arthur] Do you think that the 1978 Amnesty Law has resolved all the human rights violation cases?

[Pinochet] It is a necessary law and it has served to pacify the people and to put an end to the logical consequences of a difficult moment. People forget that the law benefited everyone, not just a few people as some people want to make it seem. Even the church supported this amnesty.

[Arthur] The church played, and still plays, an important role in the human rights subject. What do you think of this attitude?

[Pinochet] What do I think? I think I am a Christian, so I forgive.

[Arthur] Has Monsignor Oviedo contacted you?

[Pinochet] No.

[Arthur] Do you go to church, General?

[Pinochet] Yes, I normally go to Mass.

[Arthur] Do you think that the truth and the facts must be made known if we are to reach reconciliation?

[Pinochet] That is a very long subject because from the human point of view I do not see the need to reopen wounds, especially in a tendentious and partial way, to reach a so-called reconciliation. It would tend to relive the problem, and that could bring a desire for revenge, as it is happening.

[Arthur] Do you think the people seek revenge?

[Pinochet] Not only do I think so, I am convinced of it. Those who say the opposite do not understand human beings.

[Arthur] In all, you do not think that the commission will contribute to national reconciliation.

[Pinochet] I will tell you something. I have studied history, and those who know history know well that this subject is difficult because ever since Pedro de Valdivia [1500-1554] arrived in Chile the conquerors quarreled among themselves. Remember Pedro Sancho de la Hoz [Valdivia's contemporary], and then continue to remember history. Then tell me.

[Arthur] What should I tell you?

[Pinochet] That it is very difficult to reach reconciliation by reopening wounds. Very, very difficult.

[Arthur] In your case, would you be willing to pardon those who wanted to kill you?

[Pinochet] The holy father's example has been useful for me. As a Christian, I have forgiven them.

[Arthur] What do you think of the "Cumplido laws," whose objective was to resolve the situation of the political prisoners?

[Pinochet] I am not the one who has to pass judgement on government-sponsored bills. I can only see facts, and facts are worrisome.

[Arthur] Why do you worry?

[Pinochet] In no other part of the world has terrorism disappeared through the softening of the penalties on those who commit terrorist crimes. The trend has been the opposite.

[Arthur] What will the Army contribute to reconciliation?

[Pinochet] We are resolutely cooperating to make that atmosphere prevail among all Chileans.

[Arthur] You have been commanding the Army for 17 years. How many more years do you intend to remain in that post?

[Pinochet] That is a good question! I will leave the Army at the right time.

[Arthur] On what does your decision depend? Will you be afraid if you leave?

[Pinochet] I told you that I have no fear and that I am concerned about my institution and about my people.

[Arthur] In other words, you think your are a guarantee for ...

[Pinochet] ...for my people's tranquillity.

[Arthur] You are the only one whom President Aylwin did not ask to stay...

[Pinochet] I am not the only one. In addition, the Constitution empowers me to stay in this post.

[Arthur] But Merino did leave.

[Pinochet] But I am Pinochet—he answers while smiling.

[Arthur] What did you think when Merino said that you made a mistake by staying?

[Pinochet] Merino immediately explained his remarks to me. He said: "What I wanted to say is that if you stay you will have to go through all the bad moments which you have already experienced."

[Arthur] General, taking into account the generation gap between you and the rest of the generals and officers, how well do you think you represent them?

[Pinochet] The Army is not made up on the basis of generations! There is no generation gap when there is just one single professional doctrine and a single set of interests and values.

[Arthur] What is the importance of hierarchical obedience within the Army?

[Pinoceht] Obedience is part of the Army's essence. Those who speak without knowing us believe that we in the military are like robots who obey orders without thinking and without meditating. They are quite wrong. Anyone who issues an order knows that he is exercising one of the most sensitive functions of military life. He does it after meditating and after studying the means to attain an objective. And anyone who obeys the order knows that he will do his duty if he uses mind and heart to fulfill the order. All other comments are meaningless.

[Arthur] What do you think of the famous unidentified officer's case?

[Pinoceht] I think it was clarified.

[Arthur] How do you respond to those who say that the statement reflects the feelings of Army officers?

[Pinochet] The Army has a hierarchical system of command, and the top-ranking Army commanders convey the opinion of the Army.

[Arthur] Some people say that your presence in the post of Army commander in chief is an obstacle to democracy. What would you tell them?

[Pinochet] I would recommend that they carefully analyze the true obstacles to democracy in Chile.

[Arthur] Are you a guarantee that—as the defense minister put it—there will be no "Aldo Rico's" in Chile?

[Pinochet] The subject has been considered from a pejorative viewpoint, and I'd rather not give an opinion on it.

[Arthur] What do you think of the statements and the report by General Toro, which have caused a controversy in the past few days?

[Pinochet] I will not talk about that matter.

[Arthur] Several sources, like retired officers and some civilians, have charged that there is a smear campaign against the Armed Forces and particularly against the Army. Do you agree with that?

[Pinochet] Of course there is a campaign! It is clear and evident. Don't you see the insults, the attacks? There have been many actions and many omissions.

[Arthur] Who might be fueling that campaign, and to what purpose?

[Pinochet] I will keep my opinion to myself. In this case we have also used the appropriate channels for conveying our concern. I do not think mass media is the right channel for expressing such an opinion, although I have very clear opinions...

[Arthur] It has been said that one of the main sources of concern for the Armed Forces is precisely the material

published by some leftist mass media. What effect do you think such material may have?

[Pinochet] You know that those media have never had massive circulation figures. The serious point about this, however, is the spirit behind it. People talk to me about reconciliation but when I see those reports full of infamy and gossip, I feel that those who wrote them do not really want the much-publicized reconciliation. It is painful, because they have not joined the great majority of Chileans. However, things have always been like that. There are always some people who do not understand.

[Arthur] Would you say that the reports are inaccurate?

[Pinochet] Many things depend on how you say them. What I see is that they are presenting them in an exaggerated and negative manner, for the sole purpose of highlighting what is bad.

[Arthur] Do you read "EL SIGLO"?

[Pinochet] There are so many things I read...!

[Arthur] Do you think the Communist Party continues to be politically important in Chile?

[Pinochet] Facts speak for themselves.

[Arthur] Don't you think that the Marxist crisis has caused Communists to lose their power?

[Pinochet] The matter involves a very complex doctrinal problem, and we do not know how it will develop...

[Arthur] You say that everything is part of a campaign. However, what responsibility has the Army assumed in the wake of the discovery of human ashes and illegal burials?

[Pinochet] Let us wait for the courts' answer. It is obvious, however, that the issue has been used in an attempt to tarnish the Army's prestige. It has been said that there is no such attempt, but the way matters as sensitive as this one have been handled reveal a clear intention of seeking political advantage. This can be confirmed. In addition, some time ago the Army adopted a position on the subject, and I do not think it would be appropriate to reiterate it now.

[Arthur] The facts of the matter, General, are that in the wake of events like the above, several sectors have demanded "truth and justice." What do you think of that?

[Pinochet] Truth and justice are two desirable values that are not the property of any particular group. How long shall we continue to accept that only a few people can find truth and justice!

[Arthur] What do you think of President Aylwin's declaration that there would be no Chilean "Nuremberg" trials?

[Pinochet] That is natural in a man that respects the law like the president of the Republic. A contrary decision would be a historical and juridical aberration. The two cases cannot be compared.

[Arthur] There has been a political debate lately about each sector's responsibility on what has happened. Do you think that everyone must assume his part of responsibility in the interruption of the institutional order?

[Pinochet] In this case trying to find equal characteristics among all sectors is unacceptable. The interruption of the institutional order has obvious authors who even dispute among themselves who is totally responsible. In any case, the Armed Forces are not in the least responsible for the interruption of the institutional order in 1973; rather, they rescued the country and returned it to its institutional order.

[Arthur] In his 21 May speech, President Aylwin said that no one should be offended if it is said that there has been a dictatorship in Chile, because it would be calling things by their real name. What do you think of this description of your administration?

[Pinochet] If things should be called by their real names, I would say that that is an incorrect description.

[Arthur] Do you think that whenever the former regime is criticized, the Armed Forces are also included?

[Pinochet] That is a complicated subject. In principle a distinction should be made between criticisms of the government and the Armed Forces. However, when everything is criticized, when everything that has been done in the past years is being discounted, when general, unfair criticisms are made, then it is very difficult to make distinctions.

[Arthur] Do you think that your government action has not been acknowledged?

[Pinochet] It has been acknowledged, but it would be a miracle if certain sectors recognized it.

[Arthur] Have you observed disloyalty among some people who supported your government?

[Pinochet] No, but there are all kinds of people.

[Arthur] Do you feel that your government action has been judged unfairly?

[Pinochet] I will answer with the words of an old soldier: Historical facts must be observed from a short distance and judged from a long distance. Let us allow time to assuage feelings, and serene judgment will show we were right. I always remember this historic phrase: "Regarding public action my fellow countrymen may have differing opinions, but their children will give a true verdict."

[Arthur] How many of the positive actions of your administration do you think will be consolidated by the current government?

[Pinochet] I have always said that I wish the current government success, for the well-being of the Chilean people. I would like this government to bring well-being and progress to the people.

[Arthur] Some people think that the only real positive achievement of your administration was economic development. What do you think of this opinion?

[Pinochet] I think it is a very unfair and partial opinion, because those countries which make economic progress may do so because they have a stable political order, and our government efforts concentrated for years on these two aspects.

[Arthur] Do you think that the Armed Forces were defeated by the results of the 14 December elections?

[Pinochet] Categorically no! The president of the Republic and congress members were elected on that date, by virtue of a situation established by the constitution which, as I have already said, was proposed by the Armed Forces themselves. Anyway, the Armed Forces were not candidates for anything. We maintained an exemplary uncommitted position in the process! We guaranteed the transparency of the elections and thanks to that, we are currently consolidating a democracy that began to be built on 11 September 1973.

[Arthur] However, you ran in the plebiscite...

[Pinochet] I am satisfied with the results because I realized that a great majority supported me.

[Arthur] Why did you want to govern for another eight years?

[Pinochet] The Constitution granted the possibility of continuing the work that we were doing. But the other side won; there were elections, and we handed over power.

[Arthur] Many people believe that the Armed Forces have kept many powers, and they even talk about a military branch...

[Pinochet] Yes, a lot has been said about the military branch. I think they are a few theoreticians who know nothing about this, because the truth is that the Army continues to be the same. For example, we have the National Security Council. It has been said that the council was the legal consecration of military intervention in politics. But who summoned it the other day? The president did because he understands that it is an important organ for addressing some matters.

[Arthur] What significance do you attach to the fact that the president summoned the council?

[Pinochet] It was clear evidence that all this power division business is just a story. Those who do not understand the Armed Forces are always thinking wrongly.

[Arthur] How are the relations between the Army, the Navy, the Air Force, and Carabineros?

[Pinochet] With due respect for the characteristics of each sector, we remain strongly united. How many people would like to see us divided! But I tell them: What a wrong and dangerous outlook!

[Arthur] Can we really say that the Armed Forces' constitutional role as guarantors of the institutions is a contribution to democratic stability?

[Pinochet] It is essential. Out of political ambition, however, some people have attempted to distort its objective. The Constitution establishes the functions of the Armed Forces. Such functions reflect the very essence of the role of the Armed Forces, which is to prevent any attack against the stability of the institutions that Chilean society has established through the exercise of the people's sovereignty.

[Arthur] Is that not the role of civilian officials?

[Pinochet] All officials and all branches of government are responsible for the institutions. If the institutions are safeguarded in keeping with the Constitution and the law, the Armed Forces should cooperate with the officials and with the branches of government.

[Arthur] What will you do if you see that those values are in jeopardy?

[Pinochet] What will I do? I will do what is set forth in the Constitution.

[Arthur] Summon the National Security Council or stage another coup?

[Pinochet] As I said, such matters are to be dealt with by the Security Council, but it is not necessary to consider them now because everything is progressing normally.

[Arthur] Why do high-ranking commanders, particularly in the Army, consider the Armed Forces' role as guarantors of the institutions a nonnegotiable topic?

[Pinochet] It is not a matter of negotiation. The point is that we should be ruled by realistic laws. It would be a tremendous error to put the Armed Forces outside the role that they must play in a modern society.

[Arthur] Apart from the constitutional roles of your Advisory Committee, some sectors, specifically the government, are worried about the work the committee carries out. That work is described as political. What is the committee's real mission?

[Pinochet] Briefly, I can tell you that the Advisory Committee permanently analyzes and evaluates national issues connected with the Army, issues which are considered important for the Army commander in chief and to the constitutional role of the Army. These subjects are connected with the evolution of Chilean society and with my post as member of the National Security Council.

[Arthur] Some people say that you should not have that Advisory Committee because your participation in the National Security Council is on a personal basis.

[Pinochet] How can you think that the Army commander participates in the National Security Council on a personal basis! My participation is owed to my post and to the responsibility entrusted to the National Security Council by the Constitution.

[Arthur] The thing is that it is said that the Advisory Committee deliberates about ....

[Pinochet] Deliberates about what? I told you that the meaning currently attributed to the word deliberate is very curious. Once again it demonstrates that they know nothing and that it is dangerous to talk in those terms without knowing.

[Arthur] Can you envision the Armed Forces in power again?

[Pinochet] The Armed Forces already complied with their exceptional mission in power and already relinquished it.

[Arthur] Something like mission accomplished?

[Pinochet] As a government we accomplished our mission.

[Arthur] How do you think your participation in that period will be judged by history?

[Pinochet] The judgment of history is made by historians, and it will come with time. However, remember something: More important than history's judgment is the judgment of God, to whom I have always entrusted myself, in moments of both difficulty and satisfaction.

[Arthur] And what do you expect from that judgment?

[Pinochet] I think that I sincerely tried to loyally serve Chile and the Army.

Was There an Internal War in 1973?

[Arthur] The country currently is witnessing a political debate about whether what happened in 1973 was an internal war or not.

What is General Pinochet's view of the subject?

[Pinochet] The state of civil war is constituted by an extreme form of disorder, pain, and social damage, and it is the maximum level of ruptured consensus among a people. Its conflagration affects—through its extension and intensity—all national aspects and activities, or at least part of them. This state of civil war implies a general progressive situation of arbitrary actions, anarchy, and [word indistinct] violence.

[Arthur] So what are the components of this extreme situation?

[Pinochet] In the first place, a state of civil war may exist in a determined country when social peace is disturbed by basic disagreements among groups in that country or nation. That situation disturbs public tranquility and quietness by serious alterations of social coexistence.

The situation must be so serious, deep, and extended to be easily felt by the majority of the people. This happens when inevitable social conflicts cannot be solved through the institutional mechanisms which have ceased to work [words indistinct] involved in those disagreements and alterations.

The situation affects two or more groups which methodically attack each other, or one group that attacks the others with the same methodical insistence for ideological, political, religious, or any other reasons.

Beside the previously mentioned characterization, there can also be a case in which the struggle among the groups may extend and generalize.

This means that the disruption of peace caused by a confrontation among groups may be transformed into various forms of struggle in different stages. There will be a stage of political violence, a stage of communications violence, social violence in the economic and [word indistinct] fields, and so on successively.

All these stages have a common denominator which is violence.

A civil war is not declared. Its outbreak does not obey formal procedures. It simply becomes evident as armed violence among groups in dispute, and it lacks the characteristics of a clash among regular armies.

A civil war causes deaths, wounded, moral and property damage as a consequence of armed violence. The intensity, depth, and forms of armed violence may vary, but it always exists with its consequences of pain and hatred.

If these are the attributes of civil war, could it be denied that a civil war took place in Chile?

Secretary General of Presidency Sworn In

PY2208134990 Santiago Domestic Service in Spanish 1100 GMT 22 Aug 90

[Text] Following the publication of a law creating the Secretariat General of the Presidency [Ministerio Secretaria General de la Presidencia] in the official gazette, the chief of state installed Edgardo Boeninger as the Presidency's secretary general.

The ceremony took place at O'Higgins Hall. During the ceremony, the interior under secretary read the appropriate decree before the president of the Republic. Newly-appointed Secretary Boeninger explained his responsibilities at the Secretariat General of the Presidency. His responsibilities basically involve the coordination of political, program, and economic resource actions.

Patricio Aylwin administered the oath to Boeninger and to Under Secretary Ricardo Solari.

Colombia

DAS Director Maza Marquez Confirmed in Post

PA2208215490 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 22 Aug 90

[Text] General Miguel Alfredo Maza Marquez has been confirmed in his post as director of the Administrative Department of Security, DAS. He held the same post during the administration of former President Virgilio Barco Vargas, and, as I already mentioned, was again confirmed in this post by President Cesar Gaviria Trujillo.

Escobar's Brother Takes Over Cartel's Finances

PA2308021990 Bogota EL TIEMPO in Spanish 14 Aug 90 pp 1A, 8A

[Text] Roberto Escobar Gaviria, brother of Medellin Cartel chief Pablo Escobar Gaviria and known as "El Osito," has reportedly taken over financial control of the organization since the death of Gustavo de Jesus Gaviria Rivero, who was gunned down on 11 August by the Police Elite Corps.

This information was made public yesterday after police intelligence services were able to make contact with organization informers now working for the authorities.

Meanwhile, in Medellin, a communique from "The Extraditables" was made public in which they stated they would continue to uphold the unilateral truce, despite the death of the Medellin Cartel's second in command.

Nevertheless, sources from the Directorate of Judicial Police and Investigation (Dijin) said that the cartel faces serious reorganizational problems because, unlike Gustavo, Roberto is not as readily accepted in the cartel's intermediate commands.

Roberto Escobar, who on 4 June was linked for the first time to the organization's activities, reportedly received direct orders from his brother to assume control of drug shipments and the operation of the cartel's terrorist branch.

According to the authorities consulted by EL TIEMPO, up until August 1989, when the government declared war on the drug cartels after the death of Luis Carlos Galan, Roberto resided in Manizales (Caldas), where he engaged in cocaine trafficking and operated a "mini-cartel" in the coffee growing zone, a sort of extension of the Medellin cartel.

In the face of the police and army onslaught, Escobar was forced to turn to his brother and asked him to set him up in the capital of Antioquia. Once there, Roberto rapidly acquired power.

The security organizations do not have a great amount of information on Roberto Escobar's life and past activities. However, they do know that Escobar was a "prominent" cycling promoter and trainer, and the owner of the Ositto Bicycle Factory in Caldas Viejo.

At the end of the seventies, when Pablo Escobar and his cousin Gustavo Gaviria participated in automobile races in Bogota and Medellin, their cars carried their sponsor's trademark, Osito Bicycles.

Four years ago Roberto was investigated with regard to some crimes committed in Medellin, among these the murder of Rodrigo Murillo Pardo, owner of the Felipe jewelry store chain who was killed on 26 January 1986.

On 13 August this newspaper obtained information on the operation leading to the death of Gustavo Gaviria Rivero, the cartel's second in command.

Intelligence service sources reported that in mid-July some informers gave precise details on the location of seven residences in various Medellin neighborhoods, which served as sites for Gaviria Rivero to communicate with the organization's intermediate commands.

The police said that after some patrol cars checked on the exact addresses of the houses, it was decided to establish checkpoints at four of the seven sites, which were considered key spots to monitor conversations.

Shortly before 1600 on 11 August, the control station in the Laureles sector reported to the Elite Corps base in Medellin that several long-distance phone calls—abroad and to the interior—were made from one of the monitored houses.

At 1550 several Special Corps units were ordered to deploy and surround the building where Gaviria Rivero was hiding and from where he came out shooting.

According to information obtained from intelligence sources, the organization is seeking to launch defensive propaganda on the difference between drug terrorism and drug trafficking, aiming to find within the government an opinion in their favor and thereby avoid their possible extradition.

It seems that the drug traffickers are seeking to have the Colombian justice system judge them for crimes linked to terrorism instead of going before the U.S. courts to respond to cocaine trafficking charges.

The secret organizations drew up a document in which they outlined a series of theories on the Medellin Cartel's future activity. One of these states that the organization will look for a way to foster an accelerated negotiating process with the government in order to stop the persecution of their top men (Escobar and the Ochoa Vasquez brothers), ultimately looking to be judged in Colombia.

Police Arrest 'Bald Men in Coat and Ties'

PA2208190490 Paris AFP in Spanish 1721 GMT 22 Aug 90

[Text] Medellin, Colombia, 22 Aug. (AFP)—The Army announced today that 10 people accused of belonging to the cocaine cartel led by Pablo Escobar, were arrested during several raids in Medellin.

General Harold Bedoya said that to guarantee law and order in this city and the province of Antioquia, raids are being conducted in the streets and in places where some criminals have been detected.

Bedoya reported that the 10 men arrested during a raid on an apartment north of Medellin belong to the band of criminals called "Bald Men in Coat and Ties" [Los Calvos Enchaquetados].

Police seized an R-15 rifle, two kg of dynamite, electric fuses, 24 envelopes with cocaine, and some ammunition.

In a raid at another house, police arrested two brothers, and in another operation in the Guayabal area, a man was arrested with several radios, microphones, and transmitters.

General Bedoya said that the city of Medellin had been calm since the beginning of August, after violence in which 56 people had been killed in one night.

The 10 male prisoners were taken to the 4th Brigade Headquarters, where they will be tried.

Police Capture Another Medellin Cartel Leader

PA2208185090 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 22 Aug 90

[Text] According to the authorities, another blow has been dealt to the Medellin Cartel. The authorities captured Alfredo Vasquez, alias El Pana, in Medellin. Vasquez replaced Pinina in the hiring of paid assassins in that capital. El Pana is wanted for more than 100 crimes in Colombia.

The capture of Humberto de Jesus Parra Salinas [Hamburg DPA in Spanish at 1744 GMT reports that Colombian police have a Medellin Cartel chart in which Parra Salinas appears under the name of Alfredo Vasquez—FBIS] occurred in Medellin this morning in an apartment close to the place where Gustavo Gaviria, Pablo Escobar Gaviria's cousin, was killed.

Parra Salinas, better known in mafia circles as El Pana or El Panadero, was responsible for coordinating approximately 100 groups of paid assassins who operate in Medellin. According to the authorities, he replaced John Jairo Arias Tascon, alias Pinina.

El Pana was arrested while in the company of a Spanish citizen. The authorities seized several documents and a vehicle from him. These documents and the vehicle were turned over to a special judge who is in charge of this case.

Police Arrest Cousin of Pablo Escobar Gaviria

PA2308041590 Hamburg DPA in Spanish 0228 GMT 23 Aug 90

[Text] Bogota, 22 Aug (DPA)—Official sources have reported that Colombian authorities today arrested Jose Gaviria Rivero, cousin of Pablo Escobar Gaviria, Medellin Cartel kingpin.

According to the report, the police arrested Gaviria Rivero as they were searching a residence in Bogota looking for mafia leaders.

Jose Gaviria Rivero's brother Gustavo Gaviria Rivero, considered number two in the narco-terrorist organization, was killed by the police on 11 August. This was one of the harshest blows to the drug mafia.

The arrest of this Medellin Cartel member is added to the arrest of Humberto Parra Salinas, said to be the "chief of the mercenaries," of the cartel.

According to authorized spokesmen, Parra Salinas had replaced John Arias Tascon, who directed the cartel gunnmen and who was killed by the police on 13 June.

Paraguay

Deputies Want Itaipu Dam Contract Renegotiated

PY2208195690 Asuncion ABC COLOR in Spanish 22 Aug 90 p 2

[Text] The Chamber of Deputies yesterday unanimously declared the need for the executive branch to propose to Brazil that the Itaipu Binational Dam Project Treaty be renegotiated. During a special four-hour session, the legislators emphasized that changing the Itaipu bilateral agreement is legitamate because as it stands it is harmful to Paraguayan interests. The Chamber of Deputies also decided to ask the executive branch to report on, among other subjects, the reasons why the total cost of building the dam has increased from the original $2.003 billion to about $20 billion.

The declaration, which was approved yesterday, highlights "the need for the executive branch to propose, through the Paraguayan Foreign Ministry, the renegotiation of the Itaipu Treaty." It also reaffirms the Chamber of Deputies' "full political support for the success of this delicate negotiation which is of national interest."

The declaration was drafted by legislators Jose Felix Fernandez from the opposition Authentic Radical Liberal Party (PLRA), and Victor Hugo Pena from the ruling Colorado Party (ANR) [National Republican

Association]. The declaration has been studied by the Chamber of Deputies Foreign Relations Committee for more than a month.

Last week the Chamber of Deputies Foreign Relations Committee finally approved the declaration draft and submitted it for consideration by the legislative plenary session, which yesterday unanimously approved it.

The Itaipu Treaty was signed in 1973 when both Brazil and Paraguay were governed by military regimes. The current agreement prevents our country from selling its energy surpluses to third parties and imposes on our country an obligation to supply its energy surpluses to Brazil in exchange for low remuneration.

The declaration points out that "the Paraguayan deputies, firmly adhering to democracy as a form of government, inspired by the Latin American ideals of peace in the region and economic development for all the peoples, and convinced of the need to enhance the integration processes, believe that this is the appropriate time to propose policies to achieve such lofty goals."

The declaration adds: "Seventeen years after the signing of the Itaipu Treaty, and on the eve of the completion of the construction of the dam and its related projects, it is necessary for the two fraternal peoples to study the legal texts that form the institutional framework of the binational enterprise, especially to meet the claims of vast sectors of the Paraguayan society, which, inspired by the purest patriotism, demand it."

The declaration also recalls that when the binational agreement was studied in our country's Congress, "voices were raised, warning of the risks involved for our national interests by signing the text the way it was presented for public consideration, at a time when the debate was restricted because of the authoritarian system that oppressed our people."

The declaration also says: "A detailed study of the bylaws that form the framework of the enterprise casts doubts on the probity of its directors, more so taking into account the laws that make it very difficult to control public institutions. Moreover, we must consider the huge disproportion between the project's actual and its original estimated cost, which arises reasonable contention about the management of the public funds shared by the Paraguayan people and their Brazilian partners," adding: "Especially when the management justified the differences, pointing out that the dam that was constructed is very different from the original project."

The declaration also states that this is the time for "a deep reflection on the course to be followed under the Paraguayan foreign policy," one of whose main points involves our relationship with Brazil.

Peru

MRTA Group Raids Radio Station, Airs Message

PY2208181690 Lima EXPRESO in Spanish 15 Aug 90 p 10

[Text] Terrorists from the Tupac Amaru Revolutionary Movement (MRTA) broke into the Radio Libertad building on 14 August and aired a 12-minute message protesting the economic measures recently implemented by the government.

The terrorists' efforts to raid two other radio stations in Lima and another in Callao failed due to security measures and a lack of coordination in their actions.

The attack on Radio Libertad, on block nine of Salaverry Avenue, occurred at 0905. Three unidentified persons—two men and one woman—said they were clients of the radio and wanted to broadcast a message.

As soon as they got inside the facility they ordered employees to lay down and tied up the guards at gunpoint. They then entered the studio and forced the operator—identified as Ernesto Quispe Pillaca, 26—to broadcast a 12-minute recording.

It has been learned that efforts were also made to attack the Villa El Salvador radio station (which can only be heard by local listeners), the Callao radio station on Buenos Aires Avenue in the port of El Callao, and the Mar radio station in the Fatima park area in Chorrillos.

Intelligence sources have reported that the terrorists could not enter the radio station facilities "due to police surveillance and a lack of coordination among the subversives."

Bomb Blasts Reported in Lima; Two Injured

PY2208213890 Madrid EFE in Spanish 0425 GMT 22 Aug 90

[Text] Lima, 21 Aug (EFE)—Police sources have reported that at least two persons were wounded in a series of terrorist attacks perpetrated in Lima today, one of them is a child who was in a toy shop in which a bomb went off.

A man was seriously wounded by a bomb blast in a factory in the district of San Luis, in eastern Lima.

The child, whose condition has not been reported, was in a toy shop in the Lima district of Jesus Maria when it was hit by the shrapnel of a bomb that went off in the shop.

The police reported that both blasts caused considerable damage.

Another bomb went off on one of the main avenues in the district of Brena, near a monument to Victor Raul Haya de la Torre, the founder of the ruling party of the

previous government, the American Popular Revolutionary Alliance, APRA. The blast caused damage but no casualties.

A car-bomb today went off in the residential Lima neighborhood of Monterrico—the third attack in the past 24 hours in this area—causing substantial damage to several houses, while the police managed to deactivate the explosives that were left in a vehicle in a shantytown.

The police believe that the attacks were staged by members of the Maoist "Shining Path" group, which declared an "armed strike" (a strike under threat of death) for today in Lima. The armed strike coincided with a 24-hour strike called by two labor centrals in protest over the government economic measures.

During the strike one policeman was shot dead and another was seriously wounded, supposedly by an "elimination commando" of the Shining Path, in the Lima district of La Victoria.

The attacks were staged today follow an escalation of terrorist violence that began in the evening of 20 August when the destruction of high-tension towers in the outskirts of Lima caused a general blackout during which bomb attacks were staged.

A short general blackout occurred today in Lima, where the electric power service has been restricted since 20 August, following attacks on the high-tension towers.

A spokesman for the state power company, however, today said that 80 percent of the service has been restored.

New 5-Million-Inti Bill Circulated

PY2208183790 Lima EL COMERCIO in Spanish 14 Aug 90 p A 1

[Excerpts) Peru's Central Reserve Bank yesterday issued the 5-million-inti bill. The 5-million-inti bill, which was issued ahead of schedule and only four days after the 1-million-inti bill was issued, is the highest value note that has been circulated in the market. [passage omitted]

The shortage of circulating money apparently resulted in the issuance of the 5-million-inti bill which will be in circulation as of today and is equivalent to $15 in the parallel exchange rate market.

* SL Links to Drug Trafficking Detailed

90WR0216Z Lima EL COMERCIO in Spanish 28 Jun 90 p A14

[Excerpt] Narcotics trafficking has become the financier of the so-called "armed struggle" which the Sendero Luminoso [Shining Path—SL] movement is carrying on. However, the large amount of money which senior leaders of the movement are handling has affected them, creating a series of frictions and disputes within the various Shining Path groups.

In the opinion of some well informed observers the disputes, quarrels, and internal struggles resulting from handling money coming from the narcotics traffic are becoming a major question which is creating splits within the Shining Path movement and weakening its organization [passage omitted].

On numerous occasions EL COMERCIO has reported this close link between Sendero Luminoso and drug trafficking. We even reported a few days ago that Shining Path has practically established total control of this "business" in the Upper Huallaga valley.

In the organizational sense Sendero Luminoso has a "Department of Economic Work in the Armed Struggle" which is in charge of all money transactions for the various areas of its subversive activity.

This "Department" operates at the "central apparatus" level and comes directly under the Central Committee, headed by Abimael Guzman (also known as "Gonzalo") and is made up of 19 full, three substitute, and three "candidate" members.

Under the Central Committee the "intermediate organisms" or "regional committees" can be found, including regional bodies for the South, North, Center, Metropolitan, Small North and South, and Upper Huallaga valley.

Nevertheless, the large amount of money which the "Upper Huallage Regional Committee" handles has made it possible for this body to achieve vital importance within the Shining Path organizational structure. As a result, its leaders in practice operate independently, paying little attention to the "Department of Economic Work in the Armed Struggle."

The Shining Path guerrillas are gaining increasing control over drug trafficking in the jungle area. They have infiltrated the so-called "Movement of Poor Farmers" (coca growers) and have issued a type of order which establishes the rules of the game in effect for drug trafficking in the Upper Huallaga area.

In this "order" they call for direct negotiations "without intermediaries like the 'expediters' [traqueteros] and 'couriers' [paseros]" between farmers producing coca leaves and the domestic or foreign purchaser. They note that all business must be conducted in U.S. dollars or in intis, but calculated at the daily exchange rate.

They state that traffickers may use any airport (legal or clandestine) to transport the drugs, after payment of a tax to the "basic unit" or the "committee" where the landing field is located, which is nothing more than a reference to Shining Path guerrillas. This is a "tax for the use of the airstrip" which is 50 percent less than the one paid in Uchiza.

They also demand that any foreign aircraft wishing to enter the area to purchase and carry away drugs must first be registered and deposit a guarantee of a certain amount of money, in U. S. dollars.

The final example of its desire to control trafficking is the fact that Shining Path guerrillas have ordered that there must be a single exchange rate for the U. S. dollar in the Departments of San Martin, Huanuco, and Ucayali. However, this rate must be 1,000 intis less than the rate in Lima.

Among other things, they have requested the farmers not to participate in farmer security patrols and, instead, to give full support to the Communist Party of Peru ("Shining Path").

Uruguay

Brito Says Military Not Engaged in Politics

PY2208141390 Montevideo EL DIA in Spanish 16 Aug 90 p 8

[Excerpts] Defense Minister Mariano Brito has categorically denied that military officers are involved in political activities. He said that the "symbolic units" of retired officers are social associations and not "parallel military" units of the regular troops. He said he expects that the military wage will be included in the defense budget. He added that Uruguay will not send troops to the Persian Gulf.

Brito attended the session of the Chamber of Deputies National Defense Commission to address the technical and political situation of the three Armed Forces branches.

Following the meeting, Brito said that military men are normally discharging their professional activities under the leadership of the president of the Republic, who is also the commander in chief. He also denied reports that army officers held a political meeting. [passage omitted]

Concerning the so-called "symbolic units" of retired officers, Brito pointed out that they were "symbolic" and were created in keeping with their right to form associations which is established in Article 39 of the Constitution, which "excludes illegal associations, and according to their regulations the role of the (symbolic units) cannot be regarded as illegal." Some days ago a newspaper hinted at the possibility that these units were "parallel military" units with respect to the regular forces.

Concerning the opposition of some political forces toward the military, Brito said that Uruguayan society needs "to be free from heavy burdens, because they exhaust and depress, and lead the people to recall past situations." He said: "We are living in freedom and we should enjoy it."

Concerning the budget bill submitted to the executive branch, Brito said he expects that Armed Forces salaries will be improved, taking into account the country's current situation. He warned that it is up to the executive branch and "not to the Defense Ministry" to distribute the state's resources.

In this regard, he said that the Army has not submitted any proposal or salary demand. He voiced, however, his concern over the status of the military's salary.

He also admitted that the low salaries causes the technical quality of the Armed Forces to deteriorate.